

**CLINTON-GLEN GARDNER
SCHOOL DISTRICT**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

JUNE 30, 2021

**Responsibility of the Management of
Clinton-Glen Gardner School District
Hunterdon County, New Jersey**



**CLINTON-GLEN GARDNER
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021

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**CLINTON-GLEN GARDNER
SCHOOL DISTRICT**

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Clinton Public School

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February 15, 2022

Honorable President and
Members of the Board of Education
Clinton Public School
Clinton, NJ 08809

Dear Board Members:

The Comprehensive Annual Financial Report of the Clinton-Glen Gardner School District for the fiscal year ending June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial Section includes the general-purpose financial schedules, as well as the auditor's report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Treasury OMB Circular Letter 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 of 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.

- 1) **REPORTING ENTITY AND ITS SERVICES:** The Clinton-Glen Gardner School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Clinton-Glen Gardner Board of Education and one school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels, preschool through grade eight. These include regular, as well as special education programs for disabled students. The District completed the 2020-2021 fiscal year with an enrollment of 426.0 The following depicts district enrollment variations over the past 10 years:

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2011-2012	496.0	(2.5%)
2012-2013	480.0	(3.2%)
2013-2014	475.4	(0.9%)
2014-2015	483.9	1.8%
2015-2016	455.8	(5.81%)
2016-2017	442.3	(2.96%)
2017-2018	443.9	0.36%
2018-2019	425.0	(4.26%)
2019-2020	438.0	3.10%
2020-2021	426.0	(2.70%)

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-

appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance on June 30, 2021.

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

5) DEBT ADMINISTRATION: On March 11, 2014, the District successfully passed a Bond Referendum in the amount of \$2,104,000. The bonds were issued in August 2014, at an interest rate of 2.1 % payable over 10 years. The District received an AA Rating from Standard and Poor's Rating agency. The Debt from the 1994 referendum will be paid off as these new bonds come on. As a result of this timing, we are able to minimize the tax impact to the community. Projects included in the Referendum include replacement of the 1996 Roof, HVAC equipment and controls and installation of a new fire alarm system.

In June 1994, the District issued general obligation bonds in the amount of \$4,985,000 at an interest rate of 5.625%. The proceeds of this bond issue were placed in the District's debt service fund for use to provide funds for a third addition and building improvements to the District's present buildings. In 2002, the District refunded these bonds and issued \$3,335,000 in new debt at an interest rate range of 3.75-5.0% which were paid off in 2014-15. The building renovations included installation of fire doors, a sprinkler system, three new classrooms, a health suite, and a child study team office, while the addition contained four classrooms, plus computer and science rooms, a gymnasium, and a physical education office. Another building project was completed in September 2001. This project was financed from bonds totaling \$2,070,000 at an interest rate range of 4.8-4.25%, a state grant of \$1,580,000, and interest on invested principal. In January 2010, the District refunded these bonds and issued \$1,505,000 in new debt at an interest rate range of 3.0-4.0%. This project added a wing of 5 new classrooms, updated heating and air conditioning, and renovated and expanded school office areas.

6) CASH MANAGEMENT: The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statements," Notes 1 and 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

8) OTHER INFORMATION:

Elimination of Glen-Gardner Non-Operating District

On June 30, 2009, pursuant to P.L. 2007, Chapter 63, and A-4141, the State eliminated thirteen Non-Operating Districts including Glen Gardner. The Sending/Receiving Agreement between Clinton and Glen Gardner was dissolved, and the two districts were merged as one entity. A report filed on June 30, 2009, by Assistant Commissioner of Field Services Dr. Gerald Vernotica provided the details of the merger.

Independent Audit

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of BKC, CPA's, PC, was appointed by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Treasury OMB Circular Letter 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to single audit are included in the single audit section of this report.

Awards

Clinton Public School has a long history of grant awards and academic achievements. The COVID 19 pandemic has allowed the district to benefit from the additional ESSER and ARP grants from the Federal government over the next 3 years. The grants will enable the District to maintain operations and ensure continuity of services that will benefit the community.

Technology

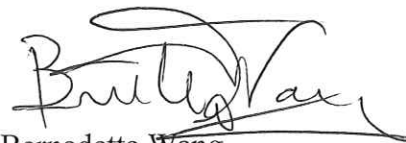
As the pandemic began in February and March of 2020 our technology readiness was challenged and tested. Without much delay we were able to pivot to virtual learning and 1:1 technology for all students. In addition, we were able to provide internet access for all in need as well.

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

Respectfully submitted,

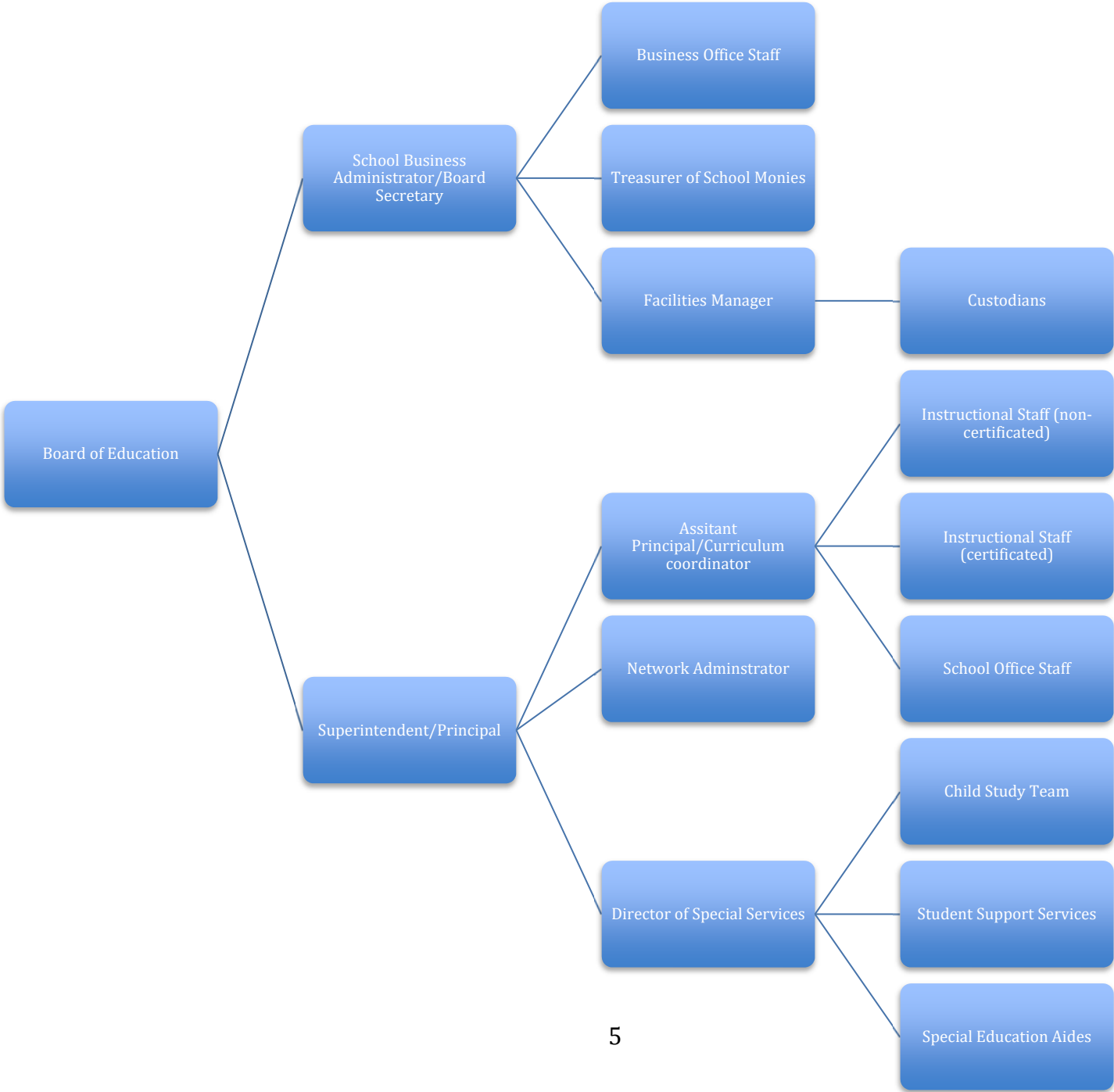


Dr. Seth Cohen
Superintendent



Bernadette Wang
Business Administrator

Clinton-Glen Gardner Board of Education Organizational Chart



CLINTON-GLEN GARDNER SCHOOL DISTRICT
Roster of Officials
June 30, 2021

<u>Members of the Board of Education</u>	<u>Title</u>	<u>Term Expires</u>
Brendan McIsaac	President	2021
Craig Sowell	Vice-President	2022
Lorraine Linfante		2023
Meghan Moore		2023
Carl Sabatino		2021

<u>Other Officials</u>	<u>Title</u>
Dr. Seth Cohen	Superintendent
Bernadette Wang	Board Secretary/School Business Administrator
Kathleen Olsen	Treasurer

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Consultants and Advisors
June 30, 2021

AUDIT FIRM

BKC, CPAs, PC
39 State Route 12, Ste 2
Flemington, NJ 08822

FINANCIAL

Phoenix Advisors, LLC (Financial Advisor)
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ARCHITECT

Gianforcaro, Architects, Engineers & Planners
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Chester, NJ 08930

ATTORNEY

Cleary, Giacobbe, Alfieri & Jacobs (General Counsel)
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Matawan, NJ 07747

Wilenz, Goldman & Spitzer (Bond Counsel)
90 Woodbridge Center Drive
Woodbridge, NJ 07095

OFFICIAL DEPOSITORY

Investors Bank
55 Old Highway 22
Clinton, NJ 08809



Certified Public Accountants, PC

www.bkc-cpa.com

Independent Auditors' Report

Honorable President and
Members of the Board of Education
Clinton-Glen Gardner School District
County of Hunterdon, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Clinton-Glen Gardner School District (the District) in the County of Hunterdon, as of and for the fiscal year ended June 30, 2021, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clinton-Glen Gardner School District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The District adopted new accounting guidance as promulgated by GASB Statement No. 84, *Fiduciary Activities*. 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 and Budgetary Comparison Schedules, Schedules Related to Accounting and Reporting for Pensions, and Schedules Related to Accounting and Reporting for Other Postemployment Employee Benefits listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's Basic Financial Statements. The introduction section, combining and individual fund financial statements, long-term debt schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The

Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and Schedule of Expenditures of State Financial Assistance required by New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid are also not a required part of the basic financial statements. The combining and individual fund financial statements, 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 combining and individual fund financial statements, 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

February 15, 2022
Flemington, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

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

Financial Highlights

- Pursuant to P.L. 2009, c.78, signed into law on June 30, 2009, the non-operating Glen Gardner Borough School District was merged with the Town of Clinton School District effective July 1, 2009. A report was issued by the Assistant Commissioner that provided guidance on the implementation. The budgets were merged, and Surplus of \$226,510 was returned to the Borough of Glen Gardner. Final accumulated tuition adjustments were settled through an agreement to reallocate taxes of \$50,710 for 5 years to Clinton Town from the Borough of Glen Gardner utilizing the "Other" line on the Tax Certification. Equalized Values were phased to 100% over a 5-year period for the purpose of calculating the tax apportionment among the two communities. The Clinton-Glen Gardner Board of Education was reduced to 5 members, eliminating the former Glen Gardner Representative position. Elections will now be held at large between the two communities, with no guaranteed representation.

Key financial highlights for 2021 are as follows:

- In total, net position increased \$866,344 which represents a 12.23% increase from fiscal year 2020.
- General revenues accounted for \$13,821,435, or 97.69% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$326,965 or 2.31% of total revenues of \$14,148,400.
- Total assets of governmental activities increased by \$672,918 as cash and cash equivalents increased by \$884,404, receivables and other assets decreased by \$44,045 and capital assets decreased by \$167,441.
- The School District had \$13,282,056 in expenses; only \$326,965 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$13,821,435 were adequate to provide for these programs.
- The general fund had \$10,744,083 in revenues, and \$9,964,829 in expenditures. The general fund's balance increased \$779,254 over 2020.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Using this Annual Comprehensive Financial Report (ACFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of the Clinton-Glen Gardner School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2021?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies.

This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- **Governmental Activities** - All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

- Business-Type Activities - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The food service and child care enterprise funds are reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, special revenue fund, capital projects fund and debt service fund.

Governmental Funds

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

The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Table 1 provides a summary of the School District's net position at June 30, 2021 compared to June 30, 2020.

Table 1
Net Position

	6/30/21	6/30/20	Variance	
			Dollars	Percent
Assets				
Current & other assets	\$ 3,248,892	\$ 2,295,730	\$ 790,792	32.17%
Capital assets	8,205,340	8,377,544	(172,204)	-2.06%
Total assets	11,454,232	10,673,274	618,588	5.71%
Deferred outflows of resources	726,283	744,458	(18,175)	-2.44%
Liabilities				
Long-term liabilities	3,154,074	3,588,422	(434,348)	-12.10%
Other liabilities	206,446	81,517	120,817	141.09%
Total liabilities	3,360,520	3,669,939	(313,531)	-8.53%
Deferred inflows of resources	870,108	822,508	47,600	5.79%
Net position				
Net investment in capital assets	7,110,861	6,853,360	257,501	3.76%
Restricted	2,221,262	1,619,842	443,162	24.92%
Unrestricted	(1,382,236)	(1,547,917)	165,681	10.70%
Total net position	\$ 7,949,887	\$ 6,925,285	\$ 866,344	12.23%

Total assets increased by \$618,588. Cash and cash equivalents increased by \$831,741, receivables and other assets decreased by \$40,949 and capital assets decreased by \$172,204. Unrestricted net position, the part of net position that can be used to finance day to day activities without constraints established by grants or legal requirements of the School District, increased by \$165,681. This is primarily due to increases in amounts considered for the PERS pension and compensated absences liability.

The negative balance in unrestricted net position is the result of reporting required by GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Table 2 shows the changes in net position for the fiscal year ended June 30, 2021 compared to June 30, 2020.

Table 2
Changes in Net Position

	6/30/21	6/30/20	Variance	
			Dollars	Percent
Revenues				
Program revenues				
Charges for services	\$ 134,222	\$ 211,101	\$ (76,879)	-36.42%
Operating grants and contributions	192,743	249,233	(56,490)	-22.67%
General revenues				
Property taxes	7,721,190	7,494,698	226,492	3.02%
Unrestricted grants	6,082,082	4,708,862	1,373,220	29.16%
Other	18,163	91,837	(73,674)	-80.22%
Total revenues	<u>14,148,400</u>	<u>12,755,731</u>	<u>1,392,669</u>	10.92%
Expenses				
Instruction				
Regular	5,841,998	5,024,532	817,466	16.27%
Special	2,436,684	2,109,723	326,961	15.50%
Other	207,761	456,539	(248,778)	-54.49%
Support services				
Tuition	13,391	36,742	(23,351)	-63.55%
Student & instructional related services	2,564,098	2,220,216	343,882	15.49%
General & business administration	595,803	610,620	(14,817)	-2.43%
School administration	525,789	417,858	107,931	25.83%
Maintenance	689,463	737,158	(47,695)	-6.47%
Transportation	242,606	233,661	8,945	3.83%
Food service	60,774	88,045	(27,271)	-30.97%
Child care service	60,923	72,403	(11,480)	-15.86%
Interest on long-term debt	42,766	54,186	(11,420)	-21.08%
Total expenses	<u>13,282,056</u>	<u>12,061,683</u>	<u>1,220,373</u>	10.12%
Increase (decrease) in net position	<u>\$ 866,344</u>	<u>\$ 694,048</u>	<u>\$ 172,296</u>	24.82%

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
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Unaudited

Governmental Activities

Property taxes made up 54.57% of revenues for district-wide activities for the Clinton-Glen Gardner School District for fiscal year 2021.

Instruction comprises 63.89% of district expenses. Support services expenses make up 36.11% of district expenses.

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

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	6/30/21	6/30/20	6/30/20	6/30/20
Instruction	\$ 8,486,443	\$ 7,590,794	\$ 8,376,574	\$ 7,468,218
Support services				
Tuition	13,391	36,742	13,391	36,742
Student & instructional staff	2,564,098	2,220,216	2,414,102	2,065,972
General & business administration	595,803	610,620	595,803	610,620
School administration	525,789	417,858	525,789	417,858
Plant operations & maintenance	689,463	737,158	689,463	737,158
Pupil transportation	242,606	233,661	242,606	233,661
Food service	60,774	88,045	12,102	(3,517)
Child care service	60,923	72,403	42,495	(19,549)
Interest on long-term debt	42,766	54,186	42,766	54,186
Total expenses	<u>\$ 13,282,056</u>	<u>\$ 12,061,683</u>	<u>\$ 12,955,091</u>	<u>\$ 11,601,349</u>

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

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

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

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

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

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

The dependence upon tax revenue is apparent. For all activities general revenue support is 96.39%. The communities, as a whole, are the primary support for the Clinton-Glen Gardner School District.

The School District's Funds

These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$11,306,323 and expenditures of \$10,591,119.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the general fund.

The School District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management. During the course of the fiscal year 2021, the School District amended its General Fund budget as needed for tuition revenue and expenditures of specific special education programs as allowed by law.

For the general fund, budget revenue was \$9,028,293, \$368,772 over original budgeted estimates of \$8,659,521. This difference was due primarily to additional state revenues.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Capital Assets

At the end of the fiscal year 2021, the School District had \$8,205,340 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows June 30, 2021 balances compared to June 30, 2020.

Table 4
Capital Assets at Year End (Net of Depreciation)

	6/30/21	6/30/20	Variance	
			Dollars	Percent
Land	\$ 320,100	\$ 320,100	\$ -	0.00%
Construction in progress	-	-	-	0.00%
Land improvements	53,854	58,839	(4,985)	-8.47%
Buildings & improvements	7,627,795	7,752,009	(124,214)	-1.60%
Leased equipment	17,250	40,250	(23,000)	-57.14%
Machinery & equipment	186,341	206,346	(20,005)	-9.69%
	<u>\$ 8,205,340</u>	<u>\$ 8,377,544</u>	<u>\$ (172,204)</u>	-2.06%

* - Undefined

Overall capital assets decreased \$172,204 from fiscal year 2020 to fiscal year 2021. Increases in capital assets of \$134,613 were offset by depreciation expenses of \$306,817.

Long-term liabilities

At June 30, 2021, the School District had \$3,154,074 of long-term liabilities. This amount is detailed in Table 5 below for June 30, 2021 compared to June 30, 2020.

At June 30, 2021, the legal debt limit is \$17,276,000. General obligation debt at June 30, 2021 is \$1,074,000 resulting in a legal debt margin of \$16,202,000.

Table 5
Long-Term Liabilities at Year End

	6/30/21	6/30/20	Variance	
			Dollars	Percent
General obligation bonds	\$ 1,074,000	\$ 1,484,000	\$ (410,000)	-27.63%
Capital leases	20,479	40,184	(19,705)	-49.04%
Compensated absences	142,584	112,392	30,192	26.86%
PERS net pension liability	1,917,011	1,951,846	(34,835)	-1.78%
	<u>\$ 3,154,074</u>	<u>\$ 3,588,422</u>	<u>\$ (434,348)</u>	-12.10%

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

For the Future

The 2020-2021 school year brought unprecedented challenges directly related to the COVID-19 pandemic. We were required to purchase many items to address student and staff safety. From sanitizers and air scrubbers to HVAC units and PPE emergent purchases were needed to successfully open school for the 2020-2021 school year. We are proud that we opened school on time and gradually opened five days a week for all students. Our entire staff pulled together to minimize transmission and to provide a highly effective learning experience for our students.

It is the opinion of the Superintendent and Business Administrator that the Clinton-Glen Gardner School District is presently in good financial condition. However, future finances are not without challenges as the state continues to impose unfunded mandates on schools while simultaneously restricting the ability to fiscally manage school budgets.

The Town of Clinton and Borough of Glen Gardner are primarily residential communities, with very few ratables; thus, the tax burden is focused on homeowners.

In conclusion, the Clinton-Glen Gardner School District has committed itself to an excellent system for financial planning, budgeting and internal financial controls. The School District plans to continue its sound fiscal management to meet the challenges of the future and to continue to search for revenue opportunities to remain an independent school district.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, please contact Bernadette Wang, School Business Administrator at the Clinton-Glen Gardner Board of Education, 10 School Street, Clinton, NJ 08809 or email at bwang@cpsnj.org.

DISTRICT-WIDE FINANCIAL STATEMENTS

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 445,809	\$ 110,913	\$ 556,722
Receivables, net	453,189	5,404	458,593
Inventory	-	4,404	4,404
Restricted cash and cash equivalents	2,229,173	-	2,229,173
Capital assets, net			
Land	320,100	-	320,100
Other capital assets, net of depreciation	7,851,611	33,629	7,885,240
Total assets	<u>11,299,882</u>	<u>154,350</u>	<u>11,454,232</u>
Deferred outflows of resources			
Deferred amount on pension activity	<u>726,283</u>	<u>-</u>	<u>726,283</u>
Liabilities			
Accounts payable	124,996	90	125,086
Accrued interest	8,977	-	8,977
Payroll deductions and withholdings payable	47,954	-	47,954
Unearned revenue	11,464	5,002	16,466
Unemployment compensation claims payable	7,963	-	7,963
Long-term liabilities			
Due within one year	442,053	-	442,053
Due beyond one year	2,712,021	-	2,712,021
Total liabilities	<u>3,355,428</u>	<u>5,092</u>	<u>3,360,520</u>
Deferred inflows of resources			
Deferred amount on pension liability	<u>870,108</u>	<u>-</u>	<u>870,108</u>

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Statement of Net Position (continued)
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
Net position			
Net investment in capital assets	\$ 7,077,232	\$ 33,629	\$ 7,110,861
Restricted for			
Capital reserve	1,409,268	-	1,409,268
Debt Service reserve	65	-	65
Emergency reserve	245,462	-	245,462
Maintenance reserve	406,069	-	406,069
Student activities	65,576	-	65,576
Unemployment claims	78,148	-	78,148
Capital projects	16,674	-	16,674
Unrestricted	(1,497,865)	115,629	(1,382,236)
Total net position	\$ 7,800,629	\$ 149,258	\$ 7,949,887

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental activities								
Instruction								
Regular	\$ 2,601,422	\$ 3,240,576	\$ 93,686	\$ 12,703	\$ -	\$ (5,735,609)	\$ -	\$ (5,735,609)
Special education	1,008,876	1,293,556	-	1,831	-	(2,300,601)	-	(2,300,601)
Other special education	75,294	58,958	-	1,649	-	(132,603)	-	(132,603)
Other instruction	67,457	140,304	-	-	-	(207,761)	-	(207,761)
Support services								
Tuition	13,391	-	-	-	-	(13,391)	-	(13,391)
Students and instruction related services	1,407,466	1,156,632	21,977	128,019	-	(2,414,102)	-	(2,414,102)
General and business administration services	344,945	250,858	-	-	-	(595,803)	-	(595,803)
School administration services	287,223	238,566	-	-	-	(525,789)	-	(525,789)
Plant operations and maintenance	554,748	134,715	-	-	-	(689,463)	-	(689,463)
Pupil transportation	242,606	-	-	-	-	(242,606)	-	(242,606)
Interest on long-term debt	42,766	-	-	-	-	(42,766)	-	(42,766)
Total governmental activities	<u>6,646,194</u>	<u>6,514,165</u>	<u>115,663</u>	<u>144,202</u>	<u>-</u>	<u>(12,900,494)</u>	<u>-</u>	<u>(12,900,494)</u>
Business-type activities								
Food service	60,774	-	131	48,541	-	-	(12,102)	(12,102)
Childcare	60,923	-	18,428	-	-	-	(42,495)	(42,495)
Total business-type activities	<u>121,697</u>	<u>-</u>	<u>18,559</u>	<u>48,541</u>	<u>-</u>	<u>-</u>	<u>(54,597)</u>	<u>(54,597)</u>
Total primary government	<u>\$ 6,767,891</u>	<u>\$ 6,514,165</u>	<u>\$ 134,222</u>	<u>\$ 192,743</u>	<u>\$ -</u>	<u>(12,900,494)</u>	<u>(54,597)</u>	<u>(12,955,091)</u>
General revenues, special items and transfers								
						7,425,545	-	7,425,545
						295,645	-	295,645
						6,082,082	-	6,082,082
						2,583	10	2,593
						15,420	150	15,570
						<u>13,821,275</u>	<u>160</u>	<u>13,821,435</u>
						920,781	(54,437)	866,344
						6,879,848	203,695	7,083,543
						<u>\$ 7,800,629</u>	<u>\$ 149,258</u>	<u>\$ 7,949,887</u>

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2021

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 445,745	\$ -	\$ -	\$ 64	\$ 445,809
Due from other funds	31,809	-	-	-	31,809
Receivables from other governments					
Federal	-	42,426	-	-	42,426
State	404,328	-	-	-	404,328
Other local governments	5,935	-	-	1	5,936
Other account receivables	195	304	-	-	499
Restricted cash and cash equivalents	2,146,910	65,576	16,687	-	2,229,173
Total assets	\$ 3,034,922	\$ 108,306	\$ 16,687	\$ 65	\$ 3,159,980
Liabilities and fund balances					
Liabilities					
Due to other funds	\$ -	\$ 31,796	\$ 13	\$ -	\$ 31,809
Accounts payable	123,926	1,070	-	-	124,996
Payroll deductions and withholdings payable	47,954	-	-	-	47,954
Unearned revenue	1,600	9,864	-	-	11,464
Unemployment compensation claims payable	7,963	-	-	-	7,963
Total liabilities	181,443	42,730	13	-	224,186

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Governmental Funds
Balance Sheet (continued)
June 30, 2021

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
Liabilities and fund balances					
Fund balances					
Restricted fund balance					
Capital reserve	\$ 1,409,268	\$ -	\$ -	\$ -	\$ 1,409,268
Debt service reserve	-	-	-	65	65
Emergency reserve	245,462	-	-	-	245,462
Maintenance reserve	406,069	-	-	-	406,069
Student Activities	-	65,576	-	-	65,576
Unemployment claims	78,148	-	-	-	78,148
Capital projects fund balance	-	-	16,674	-	16,674
Committed fund balance					
Encumbrances	181,088	-	-	-	181,088
Unassigned fund balance	533,444	-	-	-	533,444
Total fund balances	<u>2,853,479</u>	<u>65,576</u>	<u>16,674</u>	<u>65</u>	<u>2,935,794</u>
Total liabilities and fund balances	<u>\$ 3,034,922</u>	<u>\$ 108,306</u>	<u>\$ 16,687</u>	<u>\$ 65</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in government activities are not financial resources and therefore are not reported in the funds. The cost of the assets are \$14,382,861 and the accumulated depreciation is \$6,211,150.	8,171,711
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	(143,825)
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(3,154,074)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	<u>(8,977)</u>
Total net position of governmental activities	<u>\$ 7,800,629</u>

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues					
Local sources					
Local tax levy	\$ 7,425,545	\$ -	\$ -	\$ 295,645	\$ 7,721,190
Tuition charges					
Individuals	4,658	-	-	-	4,658
Other LEA's	89,028	-	-	-	89,028
Interest on investments	2,583	-	-	-	2,583
Miscellaneous	15,420	33,624	-	-	49,044
Total local sources	7,537,234	33,624	-	295,645	7,866,503
State sources	3,206,849	-	-	100,416	3,307,265
Federal sources	-	132,555	-	-	132,555
Total revenues	10,744,083	166,179	-	396,061	11,306,323
Expenditures					
Current					
Instructional					
Regular instruction	2,588,719	12,703	-	-	2,601,422
Special education instruction	1,007,045	1,831	-	-	1,008,876
Other special instruction	73,645	1,649	-	-	75,294
Other instruction	67,457	-	-	-	67,457
Support service and undistributed costs					
Tuition	13,391	-	-	-	13,391
Student and instruction related services					
General and business administrative services	1,240,427	167,039	-	-	1,407,466
School administrative services	344,945	-	-	-	344,945
Plant operations and maintenance	287,223	-	-	-	287,223
Pupil transportation	554,748	-	-	-	554,748
Unallocated benefits	242,606	-	-	-	242,606
	3,376,162	-	-	-	3,376,162

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
For the Fiscal Year Ended June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Expenditures (cont'd)					
Capital outlay	\$ 134,613	\$ -	\$ -	\$ -	\$ 134,613
Debt service					
Principal	19,705	-	-	410,000	429,705
Interest & other charges	14,143	-	-	33,068	47,211
Total expenditures	<u>9,964,829</u>	<u>183,222</u>	<u>-</u>	<u>443,068</u>	<u>10,591,119</u>
Excess (deficit) of revenues over (under) expenditures	779,254	(17,043)	-	(47,007)	715,204
Fund balances, July 1 (as restated)	<u>2,074,225</u>	<u>82,619</u>	<u>16,674</u>	<u>47,072</u>	<u>2,220,590</u>
Fund balances, June 30	<u><u>\$ 2,853,479</u></u>	<u><u>\$ 65,576</u></u>	<u><u>\$ 16,674</u></u>	<u><u>\$ 65</u></u>	<u><u>\$ 2,935,794</u></u>

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2021

Total net changes in fund balances - governmental fund (from B-2)	\$	715,204
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Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures.

However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. This is the amount by which depreciation exceeds capital outlays in the period:

Capital outlays	\$ 134,613	
Depreciation and amortization expense	<u>(302,054)</u>	(167,441)

Repayment of debt principal and capital leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and are not reported in the Statement of Activities:

Debt principal payments	410,000
Capital lease principal payments	19,705

Governmental funds report District pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

(30,940)

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes
Fund Balances of Governmental Funds to the Statement of Activities (continued)
For the Fiscal Year Ended June 30, 2021

In the Statement of Activities, interest on long-term debt is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item. \$ 4,445

In the Statement of Activities, compensated absences and early retirement benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation. (30,192)

Change in net position of governmental activities \$ 920,781

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Net Position
June 30, 2021

	Food Service Fund	Child Care Program	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 4,391	\$ 106,522	\$ 110,913
Receivables from other governments			
State	372	-	372
Federal	5,032	-	5,032
Inventory	4,404	-	4,404
Total current assets	<u>14,199</u>	<u>106,522</u>	<u>120,721</u>
Noncurrent assets			
Capital assets	130,827	-	130,827
Less: accumulated depreciation	97,198	-	97,198
Total noncurrent assets	<u>33,629</u>	<u>-</u>	<u>33,629</u>
Total assets	<u>47,828</u>	<u>106,522</u>	<u>154,350</u>
Liabilities			
Current liabilities			
Unearned revenues - commodities	1,907	-	1,907
Unearned revenues - prepaid sales	3,095	-	3,095
Accounts payable	-	90	90
Total liabilities	<u>5,002</u>	<u>90</u>	<u>5,092</u>
Net position			
Net investment in capital assets	33,629	-	33,629
Unrestricted	9,197	106,432	115,629
Total net position	<u>\$ 42,826</u>	<u>\$ 106,432</u>	<u>\$ 149,258</u>

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2021

	Food Service Fund	Child Care Program	Total
Operating revenues			
Charges for services			
Daily sales - reimbursable programs	\$ 124	\$ -	\$ 124
Daily sales - non-reimbursable programs	7	-	7
Child care revenues	-	18,428	18,428
Total operating revenues	<u>131</u>	<u>18,428</u>	<u>18,559</u>
Operating expenses			
Cost of sales - reimbursable programs	18,352	-	18,352
Commodity food costs	4,536	-	4,536
Covid related costs	5,622	-	5,622
Salaries	10,833	41,732	52,565
Support services - employee benefits	1,517	15,000	16,517
Purchased professional/technical services	1,689	-	1,689
Purchased property services	2,680	-	2,680
Other purchased services			
Insurance	1,864	-	1,864
Management fee	8,160	-	8,160
Other	-	4,191	4,191
Supplies and materials	67	-	67
Depreciation	4,763	-	4,763
Miscellaneous expenditures	691	-	691
Total operating expenses	<u>60,774</u>	<u>60,923</u>	<u>121,697</u>
Operating income (loss)	<u>(60,643)</u>	<u>(42,495)</u>	<u>(103,138)</u>
Non-operating revenues (expenses)			
State sources			
State school lunch program	1,528	-	1,528
Federal sources			
National school breakfast program			
Cash assistance	14,666	-	14,666
National school lunch program			
Cash assistance	27,811	-	27,811
Non cash assistance (commodities)	4,536	-	4,536
Other sources			
Interest earned on investments	10	-	10
Miscellaneous	150	-	150
Total non-operating revenues (expenses)	<u>48,701</u>	<u>-</u>	<u>48,701</u>

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position (continued)
For the Fiscal Year Ended June 30, 2021

	Food Service Fund	Child Care Program	Total
Change in net position	\$ (11,942)	\$ (42,495)	\$ (54,437)
Net position, beginning	54,768	148,927	203,695
Net position, ending	\$ 42,826	\$ 106,432	\$ 149,258

See accompanying notes to financial statements.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2021

	Food Service Fund	Child Care Program	Total
Cash flows from operating activities			
Receipts from customers (net)	\$ 63	\$ 18,428	\$ 18,491
Payments to Food Service Management Company	(47,227)	-	(47,227)
Payments to employees	-	(41,732)	(41,732)
Payments to vendors (net)	(3,007)	(19,101)	(22,108)
Net cash provided by (used for) operating activities	<u>(50,171)</u>	<u>(42,405)</u>	<u>(92,576)</u>
Cash flows from non-capital financing activities			
State sources	1,420	-	1,420
Federal sources	38,333	-	38,333
Miscellaneous	150	-	150
Net cash provided by (used for) noncapital financing activities	<u>39,903</u>	<u>-</u>	<u>39,903</u>
Cash flows from capital investing activities			
Interest Earned on Investments	10	-	10
Net cash provided by (used for) investing activities	<u>10</u>	<u>-</u>	<u>10</u>
Net increase (decrease) in cash and cash equivalents	(10,258)	(42,405)	(52,663)
Cash and cash equivalents, beginning	<u>14,649</u>	<u>148,927</u>	<u>163,576</u>
Cash and cash equivalents, ending	<u>\$ 4,391</u>	<u>\$ 106,522</u>	<u>\$ 110,913</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ (60,643)	\$ (42,495)	\$ (103,138)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation	4,763	-	4,763
Federal food donation program	4,536	-	4,536
Increase (decrease) in accounts payable	-	90	90
(Increase) decrease in accounts receivable	91	-	91
(Increase) decrease in inventory	1,065	-	1,065
Increase (decrease) in unearned revenue	17	-	17
Net cash provided by (used for) operating activities	<u>\$ (50,171)</u>	<u>\$ (42,405)</u>	<u>\$ (92,576)</u>

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies

The financial statements of the Clinton-Glen Gardner School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local Governmental Units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

The basic financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts over-all financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting entity

The District is a Type II District located in the County of Hunterdon, State of New Jersey. As a Type II District, the school district functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms. The purpose of the District is to educate students in Grades K-8. The District had an approximate enrollment at June 30, 2021 of 426 students.

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

1. The organization is legally separate (can sue or be sued in their own name).
2. The District holds the corporate powers of the organization.
3. The District appoints a voting majority of the organization's Board.
4. The District is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit/burden on the District.
6. There is a fiscal dependency by the organization on the District.

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the fund financial statements.

During the year ended June 30, 2021, the District implemented the provisions detailed in GASB Statement No. 84, *Fiduciary Activities*. Based on a review of the financial records, the District has no funds that meet the criteria of a fiduciary fund.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-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. Revenues are recorded when earned and expenses are recorded when a liability is 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 as soon as 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Property taxes, tuition 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. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, 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, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from non-operating 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.

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

The District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by Board Resolution.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources from State and Federal Government (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes in the special revenue fund. As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities. Amounts maintained for private purpose scholarship accounts are utilized for scholarship awards to qualifying students.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)
C. Measurement focus, basis of accounting, and financial statement presentation (continued)
Additionally, the District reports the following fund types:

Proprietary fund types

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

Enterprise Fund - The enterprise fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's enterprise fund is comprised of the food service fund and the childcare program.

All proprietary funds are accounted for on a current financial resource's measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
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Fiduciary fund types

As stated in Note 1 (B), the district does not have funds that meet the criteria of a fiduciary fund as defined by GASB Statement No 84, *Fiduciary Activities*.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

D. Budgets/budgetary control

Annual appropriated budgets are prepared in the Spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and, if necessary, are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum Chart of Accounts referenced in N.J.A.C. 6:23-16.2(f)1. All budget amendments must be approved by School Board Resolution.

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

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

E. Encumbrances

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

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

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

F. Tuition receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

G. Tuition payable

Tuition charges for the fiscal year 2020-2021 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-term interfund receivable and payables

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

I. Inventories and prepaid items

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at balance sheet date is reported as unearned revenue as title does not pass to the School District until the commodities are used. Prepaid items in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

J. Capital assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

Assets	Years
Buildings	50
Building improvements & portable classroom	50
Land improvements	20
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 - 10
Computer equipment	5 - 10

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

K. Compensated absences

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

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

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the balance sheet date for which a payment is probable. Salary related payments for the employer's share of Social Security and Medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the fund financial statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

L. Unearned revenue

Unearned revenue in the general fund and special revenue fund represents cash, which has been received but not yet earned. See Note 1 (E) regarding the special revenue fund.

Unearned revenue in the enterprise fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the food service fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

M. Long-term obligations

In the government-wide financial statements and in internal service fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

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 issuance are reported as other financing uses.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

N. Net position

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

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by credits, grantors, or laws or regulations of their governments.
- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

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

O. Fund balances - governmental funds

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

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

O. Fund balances - governmental funds (continued)

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

When expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

P. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Q. Allocation of indirect expenses

Certain expenses, which have not been charged to a specific function in the District's fund financial statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF Pension Contributions, reimbursed TPAF Social Security Contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

R. Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has one item that qualifies for reporting in this category, deferred amount on pension activity. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amount on pension activity.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 2 - Tax assessments and property taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et. seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent per annum on the first \$1,500 of the delinquency and eighteen percent per annum on any amount in excess of \$1,500. Pursuant to Chapter 75, PL 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent of the amount of the delinquency. These interest and penalties are the highest permitted under the New Jersey statutes. Delinquent taxes are annually included in a tax sale in accordance with New Jersey statutes.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the School District in accordance with the Schedule of Tax Installments as certified by the School District's Board of Education on an annual basis.

Note 3 - Deposits, cash equivalents, and investments

Cash and cash equivalents include petty cash, change funds, cash and certificates of deposit in banks. As of June 30, 2021, the District had no investments.

New Jersey Governmental Units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey Governmental Units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies. The State of New Jersey does not place any limit on the amount that the District may invest with any one issuer.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 3 - Deposits, cash equivalents, and investments (continued)

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey School Districts.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of Governmental Units. The statute requires that no Governmental Unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and saving banks the deposits of which are federally insured.

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a policy for custodial credit risk. New Jersey statutes require cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, employee salary withholdings, or funds that may pass to the District relative to the happening of a future condition.

As of June 30, 2021, the District's bank balances were exposed to custodial credit risk as follows:

Insured by the FDIC	\$ 250,000
Insured by GUDPA	2,626,063
Total bank balances	<u>\$ 2,876,063</u>

Deposits at June 30, 2021 appear in the financial statements as summarized below:

Cash and cash equivalents		<u>\$ 2,785,895</u>
	<u>Ref.</u>	
Unrestricted cash and cash equivalents		
Governmental funds, Balance Sheet	B-1	\$ 445,809
Enterprise funds, Statement of Net Position	B-4	110,913
Restricted cash and cash equivalents		
Governmental funds, Balance Sheet	B-1	2,229,173
Total cash and cash equivalents		<u>\$ 2,785,895</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 320,100	\$ -	\$ -	\$ 320,100
Total	<u>320,100</u>	<u>-</u>	<u>-</u>	<u>320,100</u>
Capital assets, being depreciated and amortized				
Land improvements	211,481	-	-	211,481
Building & improvements	12,996,276	129,827	-	13,126,103
Leased equipment	69,000	-	-	69,000
Furniture & equipment	651,391	4,786	-	656,177
Total	<u>13,928,148</u>	<u>134,613</u>	<u>-</u>	<u>14,062,761</u>
Accumulated depreciation and accumulated amortization				
Land improvements	152,642	4,985	-	157,627
Building & improvements	5,244,267	254,041	-	5,498,308
Leased equipment	28,750	23,000	-	51,750
Furniture & equipment	483,437	20,028	-	503,465
Total	<u>5,909,096</u>	<u>302,054</u>	<u>-</u>	<u>6,211,150</u>
Total capital assets, being depreciated, net	<u>8,019,052</u>	<u>(167,441)</u>	<u>-</u>	<u>7,851,611</u>
Governmental activities capital assets, net	<u>\$ 8,339,152</u>	<u>\$ (167,441)</u>	<u>\$ -</u>	<u>\$ 8,171,711</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities				
Furniture & equipment	\$ 130,827	\$ -	\$ -	\$ 130,827
Less: accumulated depreciation	92,435	4,763	-	97,198
Business type activities capital assets, net	<u>\$ 38,392</u>	<u>\$ 4,763</u>	<u>\$ -</u>	<u>\$ 33,629</u>

Depreciation and amortization expense was charged to governmental functions in the current year as follows:

Instruction

Regular	\$ 133,557
Special education	51,796
Other special instruction	3,899
Other instruction	3,463

Support services

Student & instruction	72,259
General & business administration	17,709
School administration	14,746
Plant maintenance	4,625

Total depreciation expense, governmental activities	<u>\$ 302,054</u>
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Note 5 - Long-term debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds payable	\$ 1,484,000	\$ -	\$ 410,000	\$ 1,074,000	\$ 360,000
Capital leases	40,184	-	19,705	20,479	20,479
Compensated absences payable	112,392	30,192	-	142,584	61,574
PERS net pension liability	1,951,846	-	34,835	1,917,011	-
Total governmental activities long-term liabilities	<u>\$ 3,588,422</u>	<u>\$ 30,192</u>	<u>\$ 464,540</u>	<u>\$ 3,154,074</u>	<u>\$ 442,053</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 5 - Long-term debt (continued)

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2021, including interest payments are listed as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 360,000	\$ 22,826	\$ 382,826
2023	230,000	15,801	245,801
2024	235,000	11,201	246,201
2025	249,000	5,914	254,914
Total	<u>\$ 1,074,000</u>	<u>\$ 55,742</u>	<u>\$ 1,129,742</u>

General Obligation Bonds - General obligation school building bonds payable at June 30, 2021, with their outstanding balances are comprised of the following individual issues:

\$1,505,000 - 2009 refunding general obligation bonds, due in annual installments of \$100,000 to \$140,000, beginning August 15, 2010, through August 15, 2021, interest at 3.00% to 4.00%. \$ 140,000

\$2,104,000 - 2014 refunding general obligation bonds, due in annual installments of \$155,000 to \$249,000, beginning February 15, 2016, through February 15, 2025, interest at 2.00% to 3.375%. 934,000

Total \$ 1,074,000

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2020 is \$17,276,000. General obligation debt at June 30, 2021 is \$1,074,000, resulting in a legal debt margin of \$16,202,000.

Capital lease payable

The District has future minimum commitments for technology equipment accounted for as a capital lease at June 30, 2021. The annual requirements to amortize the capital lease outstanding as of June 30, 2021, including interest payments are listed as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 20,479	\$ 600	\$ 21,079
Total	<u>\$ 20,479</u>	<u>\$ 600</u>	<u>\$ 21,079</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Operating lease payable

The District has future minimum rental commitments for technology equipment and supplies, accounted for as an operating lease at June 30, 2021. The annual requirements to amortize the operating lease outstanding as of June 30, 2021 are listed as follows:

Year Ending June 30,		Total
2022		\$ 41,849
Total		\$ 41,849

Note 7 - Pension plans

Description of systems

Substantially all of the Board's employees participate in one of the following defined benefit public employee retirement systems which have been established by state statute: The Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey. The DCRP system is administered by Prudential Financial for the Division of Pensions and Benefits. The Teachers' Pension and Annuity Fund retirement system is considered a multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers.

Plan description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's annual financial statement which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plans (continued)

A. Public employees' retirement systems (PERS) (continued)

Plan description (continued)

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

Allocation methodology and reconciliation to financial statements

Although the 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 excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the state and local groups of the plan.

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Allocation methodology and reconciliation to financial statements (continued)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, 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 and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of pension amounts by employer and nonemployer are based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2019 through June 30, 2020. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Contributions

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

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

The District's contractually required contribution rate for the year ended June 30, 2021 was 19.79% of the District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

The contribution rate was 7.50% of base salary effective July 1, 2018.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for PERS as of the measurement date of June 30, 2020:

Net pension liability	\$	1,917,011
Proportionate share		0.0117554780%
 Plan fiduciary net position as a percentage of the total pension liability		 58.32%

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:

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

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

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Long-term expected rate of return

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

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
U.S. equity	27.00%	7.71%
Non-U.S. developed markets equity	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private equity	13.00%	11.42%
Real assets	3.00%	9.73%
Real estate	8.00%	9.56%
High yield	2.00%	5.95%
Private credit	8.00%	7.59%
Investment grade credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk mitigation strategies	3.00%	3.40%

Discount rate

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Sensitivity of the collective net pension liability to changes in the discount rate

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

District's Proportionate Share of the Net Pension Liability

At current discount rate (7.00%)	\$	1,917,011
At a 1% lower rate (6.00%)		2,432,161
At a 1% higher rate (8.00%)		1,507,747

Collective deferred outflows of resources and deferred inflows of resources

At the June 30, 2020 measurement date, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 34,906	\$ 6,779
Changes of assumptions	62,190	802,671
Net difference between projected and actual earnings on pension plan investments	65,525	-
Changes in proportion and differences between District contributions and proportionate share of contributions	435,063	60,658
District contributions subsequent to the measurement date	128,599	-
Total	\$ 726,283	\$ 870,108

The amount reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e., for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) of \$128,559 will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Collective deferred outflows of resources and deferred inflows of resources (continued)

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the fiscal year ended June 30, 2020 measurement date:

	<u>Beginning Balance</u>	<u>Net Change in Activity</u>	<u>Ending Balance</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 35,033	\$ (127)	\$ 34,906
Changes of assumptions	194,899	(132,709)	62,190
Differences between expected and actual experience	-	65,525	65,525
Deferred inflows of resources			
Differences between expected and actual experience	(8,622)	1,843	(6,779)
Changes of assumptions	(677,480)	(125,191)	(802,671)
Difference between projected and actual earnings on pension plan investments	(30,811)	30,811	-
Net of deferred outflows	<u>\$ (486,981)</u>	<u>\$ (159,848)</u>	<u>\$ (646,829)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense as follows:

Fiscal Year Ending June 30,

2021	\$ (240,550)
2022	(219,308)
2023	(125,329)
2024	(50,681)
2025	(10,961)
Total	<u>\$ (646,829)</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Pension expense

For the year ended June 30, 2021, the District recognized net pension expense of \$159,540, which represents the District's proportionate share of allocable plan pension expense of \$45,806, plus the net amortization of deferred amounts from changes in proportion of \$136,965, less other adjustments to the net pension liability of \$23,231. The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the fiscal year ending June 30, 2020 measurement date are as follows:

Service cost	\$	90,563
Interest on total pension liability		295,080
Benefits changes		(2,023)
Member contributions		(64,372)
Administrative expense		1,540
Expected investment return net of investment expense		(173,709)
Pension expense related to specific liabilities of individual employers		(806)
Recognition (amortization) of deferred inflows/outflows of resources		
Differences between projected and actual experience		20,804
Changes of assumptions		(153,251)
Difference between projected and actual investment earnings on pension plan investments		31,980
Pension expense	\$	45,806

B. Teacher's pension and annuity fund (TPAF)

Plan description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)
B. Teacher's pension and annuity fund (TPAF) (continued)
Plan description (continued)

The following represents the membership tiers for TPAF:

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

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

Contributions

The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the State fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

Special funding situation

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Special funding situation (continued)

During the State fiscal year ending June 30, 2020, the State of New Jersey contributed \$826,668 to the TPAF for normal pension benefits on behalf of the District.

The contribution rate 7.50% of base salary effective July 1, 2018.

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for TPAF for fiscal year ended June 30, 2020 measurement date is as follows:

District proportionate share of net pension liability	\$ 31,859,056
Less: State proportionate share of net pension liability	7,836,818
Net pension liability	\$ 24,022,238

Proportionate share	0.0364809059%
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Plan fiduciary net position as a percentage of the total pension liability	24.60%
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Actuarial assumptions

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

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

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Actuarial assumptions (continued)

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

Long-term expected rate of return

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

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
U.S. equity	27.00%	7.71%
Non-U.S. developed markets equity	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private equity	13.00%	11.42%
Real assets	3.00%	9.73%
Real estate	8.00%	9.56%
High yield	2.00%	5.95%
Private credit	8.00%	7.59%
Investment grade credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk mitigation strategies	3.00%	3.40%

Discount rate

The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Discount rate (continued)

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the collective net pension liability to changes in the discount rate

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

District's Proportionate Share of the Net Pension Liability

At current discount rate (5.40%)	\$ 24,022,238
At a 1% lower rate (4.40%)	28,216,931
At a 1% higher rate (6.40%)	20,539,248

Pension expense

The components of allocable pension expense, which exclude pension expense related to specific liabilities of individual employers, for the District for the year ended June 30, 2020 measurement date are as follows:

Service cost	\$ 598,396
Interest on total pension liability	1,703,906
Benefits changes	(6,093)
Member contributions	(315,610)
Administrative expense	4,918
Expected investment return net of investment expense	(555,249)
Pension expense related to specific liabilities of individual employers	1,729
Recognition (amortization) of deferred inflows/outflows of resources	
Differences between projected and actual experience	64,485
Changes of assumptions	(143,706)
Difference between projected and actual investment earnings on pension plan investments	141,029
Pension expense	<u>\$ 1,493,805</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Pension plan (continued)

C. Defined contribution retirement program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch. 92, PL 2007 and expanded under the provisions of Ch. 89, PL 2008 and Ch. 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$8,400 in 2021) but who earn salary of at least \$5,000 annually are eligible to participate. The Program Administrator, Prudential Financial, makes information regarding the program available on its New Jersey Defined Contribution Program Web Site: www.prudential.com/njdcrrp.

Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. The District's contribution to the DCRP for fiscal year ended 2021 was \$7,632.

D. Other pension plan information

During the fiscal year ended June 30, 2021, the State of New Jersey contributed \$335,756 to the TPAF for postretirement medical benefits, \$20,004 for non-contributory insurance premiums, \$561 for long-term disability insurance, and \$1,051,384 for normal costs and accrued liability costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$291,803 during the year ended June 30, 2021 for the employer's share of Social Security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB Statement No. 68.

Note 8 - Postretirement benefits

The State of New Jersey provides post-retirement (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In fiscal year 2020, the State paid PRM benefits for 143,053 State and local retirees.

The State funds postretirement medical benefits on a pay-as-you-go basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For fiscal year 2020, the State contributed \$1.578 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State's pay-as-you-go contributions have decreased from fiscal year 2019 amounts. Reductions are attributable to various cost savings initiatives implemented by the State including Medicare Advantage contracts. The State has appropriated \$1.775 billion in fiscal year 2021 as the State's contribution to fund pay-as-you-go PRM costs.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 8 - Postretirement benefits (continued)

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for fiscal year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The fiscal year 2020 total State OPEB liability to provide these benefits is \$65.5 billion, a decrease of \$10.5 billion or 13.8 percent from the \$76 billion liability recorded in fiscal year 2019.

Total OPEB liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under Paragraphs 193 and 203 through 205 of GASB Statement No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the District. Note that actual numbers will be published in the NJ State ACFR at <https://www.nj.gov/treasury/omb/fr.shtml>.

Under a special funding situation, the State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Therefore, the following OPEB liability note information is reported at the State's level and is not accrued by the District.

For purposes of reporting required GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District's proportionate share of allocable OPEB liability and employer OPEB expense and related revenue as of June 30, 2020 measurement date is as follows:

State's proportionate share of the OPEB liability	\$	67,809,962,608
District's proportionate share of the State's OPEB liability		25,854,733
Employer OPEB expense and related revenue		1,281,012
Allocable proportionate percentage		0.0381282219%

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 8 - Postretirement benefits (continued)
Changes in the total OPEB liability

	Total OPEB Liability
Total OPEB liability at June 30, 2019	\$ 15,727,046
Service cost	631,810
Interest cost	564,987
Change of benefit terms	-
Differences between expected and actual experiences	4,644,586
Changes of assumptions	4,722,771
Member contributions	13,643
Gross benefit payments	(450,110)
Total OPEB liability at June 30, 2020	\$ 25,854,733

There were no changes of the benefit terms from June 30, 2019 to June 30, 2020.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50% as of the June 30, 2019 plan measurement date to 2.21% as of the June 30, 2020 plan measurement date.

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

Inflation rate	2.50%	
	TPAF	PERS
	(based on years of service)	(based on years of service)
Salary increases		
Through 2026	1.55% - 4.45%	2.00% - 6.00%
Thereafter	1.55% - 4.45%	3.00% - 7.00%

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

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 8 - Postretirement benefits (continued)

Health care trend assumptions

For Pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. 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%.

Discount rate

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

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

The following presents the total non-employer OPEB liability as of June 30, 2020 measurement date, using the District's allocable proportionate percentage, calculated using the discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Total OPEB liability (school retirees)

At current discount rate (2.21%)	\$	25,854,733
At a 1% lower rate (1.21%)		31,169,215
At a 1% higher rate (3.21%)		21,699,320

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

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

Total OPEB Liability (school retirees)

Healthcare cost trend rate	\$	25,854,733
At a 1% lower rate (1% decrease)		20,870,812
At a 1% higher rate (1% increase)		31,789,475

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 8 - Postretirement benefits (continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$1,281,012 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75 and in which there is a special funding situation.

In accordance with GASB Statement No. 75, the District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

Note 9 - Deferred compensation

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

- AXA Equitable Life Insurance Company
- Ameriprise Financial Services Inc.
- Lincoln Investment Planning
- Security Benefit
- Aspire

Note 10 - Interfund receivables and payables

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

	Receivable	Payable
General fund	\$ 31,809	\$ -
Special revenue	-	31,796
Capital project fund	-	13
	\$ 31,809	\$ 31,809

The special revenue fund had an interfund payable for \$31,796 due to the general fund for a loan as a result of cash flow issues relating to the delayed receipt of grant revenues. The balance due from the capital projects fund to the general fund represents \$13 of interest income not yet transferred to the general fund.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 11 - Inventory

Inventory in the food service fund as of June 30, 2021 consisted of the following:

Food	\$	3,208
Supplies		1,196
Total	\$	4,404

Note 12 - Contingent liabilities

Amounts received, or are receivables, from grantor agencies could be subject to audit and adjusted by grantor agencies. Any disallowed claims, including amounts already collected, may result in a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

Note 13 - Risk management

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. A complete Schedule of Insurance Coverage can be found in the Statistical Section of the Annual Comprehensive Financial Report.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the Benefit Reimbursement Method. Under this plan, the District is required to reimburse the NJ unemployment trust fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, and interest earnings, employee contributions, reimbursements to the State for benefits paid and the ending balance available for claims of the District's unemployment compensation insurance fund:

Fiscal Year	Other	Interest Earnings	Employee Contrib.	Amount Reimbursed	Ending Balance Available for Claims
2020 - 2021	\$ 2,443	\$ 66	\$ 8,152	\$ 189	\$ 86,111
2019 - 2020	-	329	8,225	9,856	75,639
2018 - 2019	-	765	8,291	814	76,941

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 14 - Reserve accounts

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

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Single Accountability Continuum (QSAC). Upon submission of the LRFP to the Department of Education, a District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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 NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are allowed as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit to the reserves by Board resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District deposited \$648,200 to their capital reserve account, \$0 to their emergency reserve account and \$0 to their maintenance reserve account by Board Resolution in June 2021 as summarized in the following schedule. The following schedule is a summarization of the reserve accounts for the current year:

<u>Reserve Type</u>	<u>Beginning Balance</u>	<u>District Contrib.</u>	<u>Interest Earnings</u>	<u>Return Unused Withdrawal</u>	<u>Withdrawal</u>	<u>Ending Balance</u>
Capital	\$ 879,678	\$ 648,200	\$ 650	\$ -	\$ 119,260	\$ 1,409,268
Emergency	245,299	-	163	-	-	245,462
Maintenance	431,119	-	-	-	25,050	406,069
Total	<u>\$ 1,556,096</u>	<u>\$ 648,200</u>	<u>\$ 813</u>	<u>\$ -</u>	<u>\$ 144,310</u>	<u>\$ 2,060,799</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 15 - Fund balance

As described in Note 1 (O), fund balance may be restricted, committed or assigned. An analysis of the general fund balance on June 30, 2021 is as follows:

Restricted

Capital reserve account - Represents funds restricted to capital projects in the District's long-range facilities plan.	\$ \$1,409,268
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Emergency reserve account - Represents funds accumulated to finance unanticipated general fund expenditures required for a thorough and efficient education.	245,462
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Maintenance reserve account - Represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A.18A:76-9).	406,069
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Unemployment - Represents funds accumulated for future unemployment claims.	78,148
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Committed

Year-end encumbrance - Represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30.	181,088
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Unassigned

Undesignated - Represents fund balance which has not been restricted or designated.	639,621
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Total fund balance - Budgetary basis (Exhibit C-1)	2,959,656
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Last state aid payments not recognized on GAAP basis	(106,177)
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Total fund balance - GAAP basis (Exhibit B-1)	<u>\$ 2,853,479</u>
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Note 16 - Calculation of excess surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by PL 2004, Ch. 73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$0.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 17 - Restatement of prior year net position

During the fiscal year ended June 30, 2021, the District restated net position for governmental activities as of June 30, 2020 as a result of the implementation of GASB Statement No. 84:

	Governmental Activities
Net position, June 30, 2020	\$ 6,721,590
Additions	
Reserved fund balance - student activity fund	82,619
Reserved fund balance - unemployment fund	75,639
Net position, June 30, 2020, as restated	\$ 6,879,848

Note 18 - Restatement of prior year fund balance

During the fiscal year ended June 30, 2021, the District restated fund balance for the general fund and special revenue fund as of June 30, 2020 as a result of the implementation of GASB Statement No. 84:

	General Fund	Special Revenue Fund
Fund balance June 30, 2020	\$ 1,998,586	\$ -
Additions		
Reserved fund balance - student activity fund	-	82,619
Reserved fund balance - unemployment fund	75,639	-
Fund balance, June 30, 2020 as restated	\$ 2,074,225	\$ 82,619

Note 19 - Recent accounting pronouncements not yet effective

The following is of recent accounting pronouncements which are not yet effective as of the year-end date of this report.

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. This statement is effective for reporting periods beginning after June 15, 2021 as amended by GASB Statement No. 95. The District is evaluating the effect of the pronouncement on financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement is effective for reporting periods beginning after June 15, 2022. The District is evaluating the effect of the pronouncement on financial reporting.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Financial Statements

Note 20 - Deficit balance in unrestricted net position

The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2021 of (\$1,497,865) on Schedule A-1, Statement of Net Position. The deficit balance is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

Note 21 - Risks and uncertainties

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (The "COVID-19 outbreak") and the risks to the international community as a virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity, and future results of operations.

Note 22 - Subsequent events

The District has evaluated subsequent events through February 15, 2022, which is the date the financial statements were available to be issued and one additional item was noted for disclosure.

On January 25, 2022, the voters of the constituent municipalities approved a referendum authorizing \$985,000 of debt to acquire and install a new playground including all related work, upgrades, and renovations making the playground ADA accessible. It is expected that a portion of the debt will be offset by state funding.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2021

	Unaudited		Actual	Variance Final to Actual	
	Original Budget	Budget Transfers			Final Budget
Revenues					
Local sources					
Local tax levy	\$ 7,425,545	\$ -	\$ 7,425,545	\$ 7,425,545	\$ -
Tuition from individuals	18,000	-	18,000	4,658	(13,342)
Tuition from other LEAs within the state	101,394	-	101,394	89,028	(12,366)
Tuition from summer school	11,312	-	11,312	-	(11,312)
Rents and royalties	4,200	-	4,200	-	(4,200)
Unrestricted miscellaneous revenues	4,000	-	4,000	14,681	10,681
Interest earned on current expense emergency reserve	-	-	-	163	163
Interest earned on maintenance reserve	1,000	-	1,000	-	(1,000)
Interest earned on capital reserve funds	2,000	-	2,000	650	(1,350)
Other restricted miscellaneous revenues	-	-	-	2,509	2,509
Total	<u>7,567,451</u>	<u>-</u>	<u>7,567,451</u>	<u>7,537,234</u>	<u>(30,217)</u>
State sources					
School choice aid	52,780	-	52,780	52,780	-
Categorical transportation aid	101,114	-	101,114	101,114	-
Extraordinary aid	-	-	-	413,398	413,398
Categorical special education aid	277,993	-	277,993	261,844	(16,149)
Equalization aid	622,046	-	622,046	622,046	-
Categorical security aid	38,137	-	38,137	38,137	-
Other state aid	-	-	-	1,740	1,740
TPAF Pension (on-behalf)	-	-	-	1,071,388	1,071,388
TPAF Social Security (reimbursed)	-	-	-	291,803	291,803
TPAF Postretirement benefits	-	-	-	335,756	335,756
TPAF Long-term disability insurance	-	-	-	561	561
Total	<u>1,092,070</u>	<u>-</u>	<u>1,092,070</u>	<u>3,190,567</u>	<u>2,098,497</u>
Total revenues	<u>\$ 8,659,521</u>	<u>\$ -</u>	<u>\$ 8,659,521</u>	<u>\$ 10,727,801</u>	<u>\$ 2,068,280</u>
Expenditures					
Current					
Instruction - regular program					
Salaries of teachers					
Kindergarten	\$ 190,091	\$ (53,437)	\$ 136,654	\$ 136,480	\$ 174
Grades 1-5	1,229,046	47,260	1,276,306	1,224,267	52,039
Grades 6-8	1,079,451	(25,683)	1,053,768	1,009,753	44,015
Home instruction					
Salaries of teacher	6,000	-	6,000	2,808	3,192
Purchased professional - educational services	8,300	20,459	28,759	3,615	25,144
Regular programs - undistributed instruction					
Other salaries for instruction	65,326	-	65,326	47,504	17,822
Other purchased services	110,150	19,630	129,780	85,416	44,364
General supplies	109,866	6,418	116,284	78,876	37,408
Total	<u>2,798,230</u>	<u>14,647</u>	<u>2,812,877</u>	<u>2,588,719</u>	<u>224,158</u>

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Special education					
Multiple disabilities					
Salaries of teachers	\$ 81,277	\$ 950	\$ 82,227	\$ 81,011	\$ 1,216
Other salaries for instruction	29,913	-	29,913	28,813	1,100
General supplies	6,000	952	6,952	5,488	1,464
Total	117,190	1,902	119,092	115,312	3,780
Resource room/resource center					
Salaries of teachers	570,259	(43,843)	526,416	526,416	-
Other salaries for instruction	102,507	-	102,507	101,977	530
General supplies	9,600	-	9,600	5,186	4,414
Total	682,366	(43,843)	638,523	633,579	4,944
Autism					
Salaries of teachers	65,527	65,477	131,004	102,911	28,093
Other salaries for instruction	68,627	6,765	75,392	75,392	-
General supplies	2,700	-	2,700	1,878	822
Total	136,854	72,242	209,096	180,181	28,915
Preschool disabilities - part-time					
Salaries of teachers	63,497	(14,651)	48,846	48,002	844
Other salaries for instruction	29,378	-	29,378	29,030	348
General supplies	1,000	-	1,000	941	59
Total	93,875	(14,651)	79,224	77,973	1,251
Total special education	1,030,285	15,650	1,045,935	1,007,045	38,890
Basic skills/remedial					
Salaries of teachers	72,519	(35,870)	36,649	36,148	501
General supplies	750	278	1,028	524	504
Total	73,269	(35,592)	37,677	36,672	1,005
Bilingual education - instruction					
Salaries of teachers	36,667	-	36,667	36,667	-
General supplies	750	-	750	306	444
Total	37,417	-	37,417	36,973	444
School-sponsored co/extra curricular activities - instruction					
Salaries	50,000	-	50,000	28,167	21,833
Supplies and materials	400	-	400	-	400
Total	50,400	-	50,400	28,167	22,233
School-sponsored athletics - instruction					
Salaries	37,125	-	37,125	22,068	15,057
Supplies and materials	2,000	(147)	1,853	206	1,647
Total	39,125	(147)	38,978	22,274	16,704

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Summer school - instruction					
Salaries of teachers	\$ 24,472	\$ (5,427)	\$ 19,045	\$ 16,566	\$ 2,479
Other salaries of instruction	11,369	-	11,369	450	10,919
General supplies	400	(400)	-	-	-
Total	<u>36,241</u>	<u>(5,827)</u>	<u>30,414</u>	<u>17,016</u>	<u>13,398</u>
Total instruction regular	<u>\$ 4,064,967</u>	<u>\$ (11,269)</u>	<u>\$ 4,053,698</u>	<u>\$ 3,736,866</u>	<u>\$ 316,832</u>
Undistributed expenditures					
Undistributed expenditures - instruction					
Tuition to other LEAs within the state - regular	\$ -	\$ 13,325	\$ 13,325	\$ 13,325	\$ -
Tuition to priv. school for the disabled w/i state	-	66	66	66	-
Total	<u>-</u>	<u>13,391</u>	<u>13,391</u>	<u>13,391</u>	<u>-</u>
Undistributed expenditures - health services					
Salaries	95,813	24,550	120,363	100,239	20,124
Purchased professional and technical services	1,500	-	1,500	1,500	-
Other purchased services	150	(49)	101	85	16
Supplies and materials	3,016	1,043	4,059	3,999	60
Other objects	200	(15)	185	72	113
Total	<u>100,679</u>	<u>25,529</u>	<u>126,208</u>	<u>105,895</u>	<u>20,313</u>
Undistributed expenditures - speech, ot, pt & related services					
Salaries	134,334	-	134,334	134,334	-
Purchased professional - educational services	5,000	(9)	4,991	1,920	3,071
Supplies and materials	750	9	759	660	99
Total	<u>140,084</u>	<u>-</u>	<u>140,084</u>	<u>136,914</u>	<u>3,170</u>
Undistributed expenditures - other supp. service stds. - extra service					
Salaries	10,000	-	10,000	8,788	1,212
Purchased professional - educational services	305,000	(73,276)	231,724	223,306	8,418
Total	<u>315,000</u>	<u>(73,276)</u>	<u>241,724</u>	<u>232,094</u>	<u>9,630</u>
Undistributed expenditures - guidance					
Salaries of other professional staff	76,937	-	76,937	76,937	-
Supplies and materials	500	(201)	299	-	299
Total	<u>77,437</u>	<u>(201)</u>	<u>77,236</u>	<u>76,937</u>	<u>299</u>
Undistributed expenditures - child study teams					
Salaries of other professional staff	295,429	-	295,429	258,649	36,780
Salaries of secretarial and clerical assistants	77,378	-	77,378	77,378	-
Purchased professional - educational services	2,000	(1,760)	240	240	-
Other purchased services	7,900	1,287	9,187	9,187	-
Supplies and materials	2,340	4,915	7,255	3,357	3,898
Other objects	1,000	(106)	894	845	49
Total	<u>386,047</u>	<u>4,336</u>	<u>390,383</u>	<u>349,656</u>	<u>40,727</u>

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited		Final Budget	Actual	Variance Final to Actual
	Original Budget	Budget Transfers			
Expenditures (cont'd)					
Undistributed expenditures - improvement of inst. service					
Salaries of supervisor of instruction	\$ 53,669	\$ -	\$ 53,669	\$ 53,669	\$ -
Salaries of other professional staff	41,600	461	42,061	34,336	7,725
Salaries of facilitators, math & literacy coaches	46,569	46,568	93,137	93,137	-
Total	141,838	47,029	188,867	181,142	7,725
Undistributed expenditures - edu. media service/sch. library					
Salaries	78,887	-	78,887	78,647	240
Salaries of technology coordinators	74,621	-	74,621	74,621	-
Other purchased services	1,200	-	1,200	907	293
Supplies and materials	4,500	-	4,500	1,715	2,785
Total	159,208	-	159,208	155,890	3,318
Undistributed expenditures - instructional staff training services					
Purchased professional - educational services	3,000	(3,000)	-	-	-
Other purchased services	16,000	(14,575)	1,425	1,044	381
Supplies and materials	2,450	(1,595)	855	855	-
Total	21,450	(19,170)	2,280	1,899	381
Undistributed expend. - support service - general admin.					
Salaries	80,252	(2,021)	78,231	77,905	326
Legal services	10,000	(3,464)	6,536	4,339	2,197
Audit fees	18,500	10,000	28,500	28,500	-
Architectural/engineering services	8,000	1,540	9,540	9,540	-
Other purchased professional services	4,300	-	4,300	4,240	60
Communications/telephone	18,000	2,874	20,874	20,558	316
BOE other purchased services	1,000	(225)	775	-	775
Miscellaneous purchased services	12,500	1,454	13,954	13,954	-
General supplies	4,000	(932)	3,068	2,028	1,040
BOE in-house training/meeting supplies	200	-	200	21	179
Miscellaneous expenditures	-	3,000	3,000	2,268	732
BOE membership dues and fees	4,428	-	4,428	4,300	128
Total	161,180	12,226	173,406	167,653	5,753
Undistributed expend. - support service - school admin.					
Salaries of principals/assistant principals	171,299	-	171,299	171,299	-
Salaries of secretarial and clerical assistants	55,575	-	55,575	54,557	1,018
Other objects	5,000	25,467	30,467	13,704	16,763
Total	231,874	25,467	257,341	239,560	17,781
Undistributed expenditures - central services					
Salaries	169,675	1	169,676	169,675	1
Purchased professional services	700	300	1,000	1,000	-
Miscellaneous purchased services	500	(319)	181	-	181
Supplies and materials	1,200	-	1,200	414	786
Interest on lease purchase agreements	-	4,184	4,184	4,184	-
Other objects	2,000	19	2,019	2,019	-
Total	174,075	4,185	178,260	177,292	968

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited		Final Budget	Actual	Variance Final to Actual
	Original Budget	Budget Transfers			
Expenditures (cont'd)					
Undistributed expenditures - admin. info. technology					
Salaries	\$ 8,291	\$ -	\$ 8,291	\$ 8,291	\$ -
Purchased technical services	38,450	-	38,450	34,057	4,393
Supplies and materials	-	78,591	78,591	5,315	73,276
Total	46,741	78,591	125,332	47,663	77,669
Undistributed expend. - required maint. for school facilities					
Salaries	110,066	19,260	129,326	128,726	600
Cleaning, repair, and maintenance services	101,685	702	102,387	83,251	19,136
General supplies	20,500	1,704	22,204	13,843	8,361
Total	232,251	21,666	253,917	225,820	28,097
Undistributed expenditures - custodial services					
Salaries	160,407	(61,494)	98,913	72,084	26,829
Purchased professional and technical services	-	3,000	3,000	1,500	1,500
Cleaning, repair, and maintenance service	13,000	9,997	22,997	10,715	12,282
Other purchased property services	10,500	1,000	11,500	9,873	1,627
Insurance	47,000	2,620	49,620	49,620	-
Miscellaneous purchased services	600	(214)	386	-	386
General supplies	44,368	17,335	61,703	44,143	17,560
Energy (natural gas)	32,000	5,585	37,585	37,585	-
Energy (electricity)	88,000	20,278	108,278	90,399	17,879
Other objects	700	(486)	214	214	-
Total	396,575	(2,379)	394,196	316,133	78,063
Undistributed expenditures - care and upkeep of grounds					
Cleaning, repair, and maintenance service	3,500	8,825	12,325	9,920	2,405
General supplies	6,302	-	6,302	2,875	3,427
Total	9,802	8,825	18,627	12,795	5,832
Undistributed expenditures - security					
Purchased professional and technical services	750	-	750	-	750
Cleaning, repair, and maintenance service	250	-	250	-	250
General supplies	2,030	-	2,030	-	2,030
Total	3,030	-	3,030	-	3,030
Undistributed expenditures - student transportation service					
Management fee - esc & ctsa trans. program	2,588	-	2,588	2,500	88
Contract service - aid in lieu pymts - non-public schools	14,500	(1,000)	13,500	7,902	5,598
Contract serv-aid in lieu pymts-charter school students	-	1,000	1,000	500	500
Contract service - aid in lieu pymts - choice school students	7,500	-	7,500	7,293	207
Contract service (oth. than between home & school) - vend.	9,200	(4,000)	5,200	-	5,200
Contract service (reg. students) - escs & ctsas	150,960	74,460	225,420	165,442	59,978
Contract service (spl. ed. students) - escs & ctsas	56,000	4,459	60,459	58,969	1,490
Total	240,748	74,919	315,667	242,606	73,061

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Unallocated benefits - employee benefits					
Social Security contributions	\$ 103,000	\$ -	\$ 103,000	\$ 86,287	\$ 16,713
Other retirement contributions - PERS	90,000	38,599	128,599	128,599	-
Other retirement contributions - ERIP	6,500	-	6,500	5,653	847
Other retirement contributions - regular	6,500	-	6,500	-	6,500
Workmen's compensation	50,000	(2,620)	47,380	40,807	6,573
Health benefits	1,483,961	(80,557)	1,403,404	1,355,545	47,859
Tuition reimbursement	110,000	(40,367)	69,633	55,984	13,649
Other employee benefits	16,800	44,483	61,283	3,779	57,504
Total	<u>1,866,761</u>	<u>(40,462)</u>	<u>1,826,299</u>	<u>1,676,654</u>	<u>149,645</u>
On-behalf TPAF Pension contribution	-	-	-	1,071,388	(1,071,388)
On-behalf TPAF Postretirement medical benefits	-	-	-	335,756	(335,756)
On-behalf TPAF Long-term disability insurance	-	-	-	561	(561)
Reimbursed TPAF Social Security contribution	-	-	-	291,803	(291,803)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,699,508</u>	<u>(1,699,508)</u>
Total undistributed expenditures	<u>\$ 4,704,780</u>	<u>\$ 180,676</u>	<u>\$ 4,885,456</u>	<u>\$ 6,059,502</u>	<u>\$ (1,174,046)</u>
Total current	<u>\$ 8,769,747</u>	<u>\$ 169,407</u>	<u>\$ 8,939,154</u>	<u>\$ 9,796,368</u>	<u>\$ (857,214)</u>
Capital outlay					
Equipment					
Undistributed					
Undistributed expenditures - instruction	\$ 5,240	\$ -	\$ 5,240	\$ -	\$ 5,240
Undistributed expenditures - admin. info. technology	-	43,373	43,373	-	43,373
Undistributed expenditures - custodial services	-	18,700	18,700	4,786	13,914
Undistributed expenditures - security	-	15,625	15,625	-	15,625
Total equipment	<u>5,240</u>	<u>77,698</u>	<u>82,938</u>	<u>4,786</u>	<u>78,152</u>
Facilities acquisition and construction service					
Construction services	-	129,827	129,827	129,827	-
Lease purchase agreements - principal	-	19,705	19,705	19,705	-
Assessment for debt service on SDA funding	14,143	-	14,143	14,143	-
Total facilities acquisition and construction service	<u>14,143</u>	<u>149,532</u>	<u>163,675</u>	<u>163,675</u>	<u>-</u>
Total capital outlay	<u>\$ 19,383</u>	<u>\$ 227,230</u>	<u>\$ 246,613</u>	<u>\$ 168,461</u>	<u>\$ 78,152</u>
Total expenditures	<u>\$ 8,789,130</u>	<u>\$ 396,637</u>	<u>\$ 9,185,767</u>	<u>\$ 9,964,829</u>	<u>\$ (779,062)</u>

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Excess (deficiency) of revenues over (under) expenditures	\$ (129,609)	\$ (396,637)	\$ (526,246)	\$ 762,972	\$ 1,289,218
Other financing sources (uses)					
Operating transfer in					
Transfers in from other funds	70,296	-	70,296	-	(70,296)
Operating transfer out					
Transfer to food service fund - board contribution	-	(310)	(310)	-	310
Total other financing sources (uses)	70,296	(310)	69,986	-	(69,986)
Excess (deficiency) of revenues & other financing sources over (under) expenditures & other financing uses	(59,313)	(396,947)	(456,260)	762,972	1,219,232
Fund balances, July 1 (as restated)	2,196,684	-	2,196,684	2,196,684	-
Fund balances, June 30	<u>\$ 2,137,371</u>	<u>\$ (396,947)</u>	<u>\$ 1,740,424</u>	<u>\$ 2,959,656</u>	<u>\$ 1,219,232</u>
Recapitulation of excess (deficiency) of revenues over (under) expenditures					
Adjustment for prior year encumbrances	\$ (62,313)	\$ -	\$ (62,313)	\$ (62,313)	\$ -
Increase in capital reserve	-	648,200	648,200	648,200	-
Interest deposit to capital reserve	2,000	-	2,000	650	(1,350)
Withdrawal from capital reserve	-	(119,260)	(119,260)	(119,260)	-
Interest earned on emergency reserve	-	-	-	163	163
Interest earned on maintenance reserve	1,000	-	1,000	-	(1,000)
Withdrawal from maintenance reserve	-	(25,050)	(25,050)	(25,050)	-
Increase in unemployment compensation	-	-	-	2,443	2,443
Interest earned on unemployment compensation	-	-	-	66	66
Budgeted fund balance	-	(900,837)	(900,837)	318,073	1,218,910
Total	<u>\$ (59,313)</u>	<u>\$ (396,947)</u>	<u>\$ (456,260)</u>	<u>\$ 762,972</u>	<u>\$ 1,219,232</u>
Recapitulation of fund balance					
Restricted fund balance					
Capital reserve				\$ 1,409,268	
Emergency reserve				245,462	
Maintenance reserve				406,069	
Unemployment compensation				78,148	
Committed fund balance					
Year-end encumbrances				181,088	
Unassigned fund balance				<u>639,621</u>	
Fund balance per budgetary basis				2,959,656	
Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				<u>(106,177)</u>	
Fund balance per governmental funds (GAAP)				<u>\$ 2,853,479</u>	

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources	\$ 21,511	\$ 21,977	\$ 43,488	\$ 33,624	\$ (9,864)
Federal sources	430,059	-	430,059	132,619	(297,440)
Total revenues	\$ 451,570	\$ 21,977	\$ 473,547	\$ 166,243	\$ (307,304)
Expenditures					
Instruction					
Salaries	\$ 50,000	\$ 19,562	\$ 69,562	\$ -	\$ 69,562
Purchased professional & technical services	500	-	500	-	500
Other purchased services	3,513	-	3,513	706	2,807
Supplies	21,412	(297)	21,115	12,052	9,063
Total	<u>75,425</u>	<u>19,265</u>	<u>94,690</u>	<u>12,758</u>	<u>81,932</u>
Support services					
Employee benefits	20,000	-	20,000	-	20,000
Purchased professional & technical services	189,019	(1,831)	187,188	79,557	107,631
Other purchased services	-	12,122	12,122	11,403	719
Supplies	45,751	(4,340)	41,411	40,548	863
Other objects	25,576	(25,216)	360	-	360
Student activities	-	39,020	39,020	39,020	-
Total	<u>280,346</u>	<u>19,755</u>	<u>300,101</u>	<u>170,528</u>	<u>129,573</u>
Capital outlay					
Building improvements	95,799	-	95,799	-	95,799
Total expenditures	\$ 451,570	\$ 39,020	\$ 490,590	\$ 183,286	\$ 307,304
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (17,043)	\$ (17,043)	\$ (17,043)	\$ -
Fund balances, July 1 (as restated)	<u>82,619</u>	<u>-</u>	<u>82,619</u>	<u>82,619</u>	<u>-</u>
Fund balances, June 30	<u>\$ 82,619</u>	<u>\$ (17,043)</u>	<u>\$ 65,576</u>	<u>\$ 65,576</u>	<u>\$ -</u>
Recapitulation of fund balance					
Restricted fund balance					
Student activities				\$ 65,576	
Fund balance per budgetary basis				<u>\$ 65,576</u>	

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to Required Supplementary Information
Budget-to-GAAP Reconciliation
For the Fiscal Year Ended June 30, 2021

Explanation of Differences Between Budgetary Inflows and
Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources	General Fund	Special Revenue Fund
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 10,727,801	\$ 166,243
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding encumbrances - prior	-	3,425
Outstanding encumbrances - current year	-	(3,489)
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33):		
State aid receivable prior year	122,459	-
State aid receivable current year	(106,177)	-
Total revenues (GAAP basis)	\$ 10,744,083	\$ 166,179
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 9,964,829	\$ 183,286
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Outstanding encumbrances - prior	-	3,425
Outstanding encumbrances - current year	-	(3,489)
Total expenditures (GAAP basis)	\$ 9,964,829	\$ 183,222

See independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the net pension liability (asset) - percentage	N/A	0.0117547800%	0.0108324675%	0.0093441400%	0.0097687461%	0.0087528422%	0.0095359971%	0.0085999806%	0.0075412794%	N/A
District's proportion of the net pension liability (asset) - value	\$ -	\$ 1,917,011	\$ 1,951,846	\$ 1,839,815	\$ 2,274,008	\$ 2,592,341	\$ 2,140,640	\$ 1,610,152	\$ 1,441,288	N/A
District's covered employee payroll	649,798	726,532	850,674	699,483	647,797	622,818	595,102	604,752	530,988	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	N/A	263.86%	229.45%	263.02%	351.04%	416.23%	359.71%	266.25%	271.44%	N/A
Plan fiduciary net position as a percentage of the total pension liability	N/A	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%	N/A

N/A - Not Available

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of District's Contributions - Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 128,599	\$ 105,368	\$ 92,944	\$ 90,497	\$ 77,759	\$ 81,984	\$ 70,897	\$ 56,822	\$ 59,103	\$ 65,728
Contributions in relation to the contractually required contribution	(128,599)	(105,368)	(92,944)	(90,497)	(77,759)	(81,984)	(70,897)	(56,822)	(59,103)	(65,728)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	\$ 649,798	\$ 726,532	\$ 850,674	\$ 699,483	\$ 647,797	\$ 622,818	\$ 595,102	\$ 604,752	\$ 530,988	\$ 500,491
Contributions as a percentage of covered employee payroll	19.79%	14.50%	10.93%	12.94%	12.00%	13.16%	11.91%	9.40%	11.13%	13.13%

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the net pension liability (asset) - percentage	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
District's proportion of the net pension liability (asset) - value	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ -	\$ 24,022,238	\$ 22,230,350	\$ 23,927,825	24,065,131	27,384,693	21,642,198	18,983,034	18,666,978	N/A
Total	\$ -	\$ 24,022,238	\$ 22,230,350	\$ 23,927,825	\$ 24,065,131	\$ 27,384,693	\$ 21,642,198	\$ 18,983,034	\$ 18,666,978	\$ -
District's covered employee payroll	\$ 4,138,081	\$ 3,987,852	\$ 3,910,663	\$ 3,905,788	\$ 3,791,671	\$ 3,858,459	\$ 3,508,604	\$ 3,377,598	\$ 3,508,018	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
Plan fiduciary net position as a percentage of the total pension liability	N/A	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%	N/A

N/A - Not Available

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of District's Contributions - Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 826,668	\$ 728,313	\$ 727,330	\$ 567,331	\$ 401,470	\$ 278,712	\$ 185,123	\$ 150,255	\$ 238,660	\$ 121,289
Contributions in relation to the contractually required contribution	(826,668)	(728,313)	(727,330)	(567,331)	(401,470)	(278,712)	(185,123)	(150,255)	(238,660)	(121,289)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	\$ 4,138,081	\$ 3,987,852	\$ 3,910,663	\$ 3,905,788	\$ 3,791,671	\$ 3,858,459	\$ 3,508,604	\$ 3,377,598	\$ 3,508,018	\$ 3,319,279
Contributions as a percentage of covered employee payroll	19.98%	18.26%	18.60%	14.53%	10.59%	7.22%	5.28%	4.45%	6.80%	3.65%

See independent auditors' report.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (GASB 75) (UNAUDITED)**

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Other
Postemployment Employee Benefits Liability
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportionate share of the other postemployment employee benefits liability (asset) - percentage	N/A	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the other postemployment employee benefits liability (asset) - value	N/A	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the other postemployment employee benefits liability (asset) associated with the District	N/A	25,854,733	15,727,046	17,178,291	19,975,643	N/A	N/A	N/A	N/A	N/A
Total	\$ -	\$ 25,854,733	\$ 15,727,046	\$ 17,178,291	\$ 19,975,643	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	N/A	\$ 4,714,384	\$ 4,761,337	\$ 4,605,271	\$ 4,439,468	\$ -	\$ -	\$ -	\$ -	\$ -
District's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	N/A	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	N/A	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A

N/A - Not Available

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Required Supplementary Information - Part III
(Unaudited)
June 30, 2021

- Note 1 - Special funding situation - TPAF and other postretirement benefits
The participating employer allocations included in the supplemental Schedule of Employer Special Funding Allocations and the supplemental Schedule of Special Funding Amounts by Employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense and other postretirement benefits (OPEB) expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability and OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Teachers' Pension and Annuity Fund and for OPEB allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.
- Note 2 - Changes in assumptions - TPAF
The discount rate was 5.60% in State fiscal year 2019 and 5.40% in State fiscal year 2020. The inflation rate was 2.75% in State fiscal year 2019 and 2.75% in State fiscal year 2020.
- Note 3 - Changes in assumptions - PERS
The discount rate was 6.28% in State fiscal year 2019 and 7.00% in State fiscal year 2020. The inflation rate was 2.75% for State fiscal year 2019 and 2.75% for State fiscal year 2020.
- Note 4 - Changes in assumptions - other postretirement employee benefits
The other postretirement employee benefits discount rate decreased from 3.50% in State fiscal year 2019 to 2.21% in State fiscal year 2020. The inflation rate was 2.50% for State fiscal year 2019 and 2020.
- Note 5 - Changes in healthcare trend assumptions - other postretirement employee benefits
For Pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.
- Note 6 - Changes in benefit term assumptions - other postretirement employee benefits
There were no changes of the benefit terms from June 30, 2019 to June 30, 2020.

SPECIAL REVENUE FUND

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	ESSA Title IA	ESSA Title IIA	CARES Emergency Relief	Coronavirus Relief Fund	CRRSA Mental Health	IDEA Basic	IDEA Preschool	Local Grants	Student Activity Fund	Total
Revenues										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,647	\$ 21,977	\$ 33,624
Federal sources	3,120	15,269	13,093	16,572	3,177	74,735	6,653	-	-	132,619
Total revenues	\$ 3,120	\$ 15,269	\$ 13,093	\$ 16,572	\$ 3,177	\$ 74,735	\$ 6,653	\$ 11,647	\$ 21,977	\$ 166,243
Expenditures										
Instruction										
Other purchased services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 706	\$ -	\$ 706
Supplies	1,649	1,854	6,718	-	-	1,831	-	-	-	12,052
	<u>1,649</u>	<u>1,854</u>	<u>6,718</u>	<u>-</u>	<u>-</u>	<u>1,831</u>	<u>-</u>	<u>706</u>	<u>-</u>	<u>12,758</u>
Support services										
Purchased professional and technical services	-	-	-	-	-	72,904	6,653	-	-	79,557
Other purchased services	515	10,888	-	-	-	-	-	-	-	11,403
Supplies	956	2,527	6,375	16,572	3,177	-	-	10,941	-	40,548
Student activities	-	-	-	-	-	-	-	-	39,020	39,020
Total	<u>1,471</u>	<u>13,415</u>	<u>6,375</u>	<u>16,572</u>	<u>3,177</u>	<u>72,904</u>	<u>6,653</u>	<u>10,941</u>	<u>39,020</u>	<u>170,528</u>
Total expenditures	\$ 3,120	\$ 15,269	\$ 13,093	\$ 16,572	\$ 3,177	\$ 74,735	\$ 6,653	\$ 11,647	\$ 39,020	\$ 183,286
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (17,043)	\$ (17,043)
Fund balances, July 1 (as restated)	-	-	-	-	-	-	-	-	82,619	82,619
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,576</u>	<u>\$ 65,576</u>

See independent auditors' report.

CAPITAL PROJECTS FUND

DETAIL STATEMENTS

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2021

Description	Approval Date	Revised Budgetary Appropriations	Expenditures to Date		Unexpended Appropriations 06/30/21
			Prior Years	Current Year	
Facilities improvement project	12/13/16	\$ 985,000	\$ 971,832	\$ -	\$ 13,168
		<u>\$ 985,000</u>	<u>\$ 971,832</u>	<u>\$ -</u>	<u>\$ 13,168</u>

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
For the Fiscal Year Ended June 30, 2021

Net position - beginning	\$	16,674
Net position - ending	\$	16,674
Analysis of balance		
Capital project fund balance	\$	13,168
Interest earnings		3,506
	\$	16,674

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
Facilities Improvement Project - 2016
For the Fiscal Year Ended June 30, 2021

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources - bond proceeds	\$ 985,000	\$ -	\$ 985,000	\$ 985,000
Total revenues	<u>985,000</u>	<u>-</u>	<u>985,000</u>	<u>985,000</u>
Expenditures and other financing uses				
Construction services				
Interior construction				
Media center renovations	228,077	-	228,077	229,950
Lighting and ceilings replacement	555,910	-	555,910	355,740
HVAC upgrades	50,998	-	50,998	170,310
Exterior closure	-	-	-	4,000
Fixed furnishings	46,222	-	46,222	120,000
Purchased professional services				
Architectural/engineering fees	61,004	-	61,004	64,400
Bond/legal fees	29,621	-	29,621	30,000
Fees and permits	-	-	-	10,600
Total expenditures	<u>971,832</u>	<u>-</u>	<u>971,832</u>	<u>985,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 13,168</u>	<u>\$ -</u>	<u>\$ 13,168</u>	<u>\$ -</u>

Additional Project Information

Project number	0910-030-17-1000
Grant date	N/A
Bond authorization date	12/13/16
Bonds authorized	\$ 985,000
Bonds issued	985,000
Original authorized cost	985,000
Additional authorized cost	-
Revised authorized cost	985,000
Percentage completion	98.66%

See independent auditors' report.

PROPRIETARY FUNDS

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

See Statements B-4, B-5, and B-6.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for funds received by the School District as an agent for individuals, private organizations, other government and/or other funds.

(NOT APPLICABLE TO THIS REPORT)

LONG-TERM DEBT

The Long-term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding, obligations under capital leases, and early retirement program.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2021

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance 07/01/20	Issued	Retired	Balance 06/30/21
			Date	Amount					
Refunding school bonds of 2009	08/15/09	\$ 1,505,000	08/15/21	\$ 140,000	3.75%	\$ 280,000	\$ -	\$ 140,000	\$ 140,000
School bonds of 2014	08/15/14	2,104,000	02/15/22	220,000	2.00%	1,149,000	-	215,000	934,000
			02/15/23	230,000	2.00%	-	-	-	-
			02/15/24	235,000	2.25%	-	-	-	-
			02/15/25	249,000	2.38%	-	-	-	-
School bonds of 2017	02/08/17	985,000			1.53%	55,000	-	55,000	-
						<u>\$ 1,484,000</u>	<u>\$ -</u>	<u>\$ 410,000</u>	<u>\$ 1,074,000</u>

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Capital Leases
For the Fiscal Year Ended June 30, 2021

Issue	Interest Rate	Amount of Original Issue	Balance 07/01/20	Issued	Retired	Balance 06/30/21
Copiers and a server	3.894%	\$ 69,000	\$ 40,184	-	\$ 19,705	\$ 20,479
			<u>\$ 40,184</u>	<u>-</u>	<u>\$ 19,705</u>	<u>\$ 20,479</u>

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources					
Local tax levy	\$ 252,766	\$ -	\$ 252,766	\$ 252,766	\$ -
Local tax levy - pre-merger debt	42,879	-	42,879	42,879	-
State sources					
Debt service aid type II	100,416	-	100,416	100,416	-
Total revenues	<u>396,061</u>	<u>-</u>	<u>396,061</u>	<u>396,061</u>	<u>-</u>
Expenditures					
Regular debt service					
Redemption of principal	410,000	-	410,000	410,000	-
Interest	33,068	-	33,068	33,068	-
Total expenditures	<u>443,068</u>	<u>-</u>	<u>443,068</u>	<u>443,068</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(47,007)	-	(47,007)	(47,007)	-
Fund balance, July 1	<u>47,072</u>	<u>-</u>	<u>47,072</u>	<u>47,072</u>	<u>-</u>
Fund balance, June 30	<u>\$ 65</u>	<u>\$ -</u>	<u>\$ 65</u>	<u>\$ 65</u>	<u>\$ -</u>
Recapitulation of excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses					
Budgeted fund balance	<u>\$ (47,007)</u>	<u>\$ -</u>	<u>\$ (47,007)</u>	<u>\$ (47,007)</u>	<u>\$ -</u>

See independent auditors' report.

STATISTICAL SECTION

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Statistical Section J Series

CONTENTS	PAGE
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	J-1 to J-5
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-6 to J-9
DEBT CAPACITY	
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	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 District's financial activities take place.	J-14 to J-15
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules are derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.	
The District implemented GASB Statement No. 84 in the fiscal year ending June 30, 2021. Schedules presenting information relating to the implementation of GASB Statement No. 84 include information beginning in that year.	

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Government activities										
Net investment in capital assets	\$ 4,537,465	\$ 4,893,462	\$ 5,385,724	\$ 4,662,010	\$ 5,225,571	\$ 4,483,417	\$ 5,822,224	\$ 6,434,956	\$ 6,814,968	\$ 7,077,232
Restricted	197,547	397,671	577,993	1,725,179	1,303,263	2,356,352	1,387,321	1,107,020	1,778,100	2,221,262
Unrestricted	422,659	237,414	(1,310,609)	(1,229,777)	(1,396,410)	(1,387,070)	(1,690,297)	(1,491,368)	(1,713,220)	(1,497,865)
Total governmental activities	<u>\$ 5,157,671</u>	<u>\$ 5,528,547</u>	<u>\$ 4,653,108</u>	<u>\$ 5,157,412</u>	<u>\$ 5,132,424</u>	<u>\$ 5,452,699</u>	<u>\$ 5,519,248</u>	<u>\$ 6,050,608</u>	<u>\$ 6,879,848</u>	<u>\$ 7,800,629</u>
Business-type activities										
Net investment in capital assets	\$ 13,217	\$ 11,526	\$ 7,779	\$ 16,495	\$ 21,574	\$ 32,652	\$ 48,440	\$ 43,260	\$ 38,392	\$ 33,629
Unrestricted	174,323	65,802	76,435	116,126	129,964	117,164	120,122	137,369	165,303	115,629
Total business-type activities	<u>\$ 187,540</u>	<u>\$ 77,328</u>	<u>\$ 84,214</u>	<u>\$ 132,621</u>	<u>\$ 151,538</u>	<u>\$ 149,816</u>	<u>\$ 168,562</u>	<u>\$ 180,629</u>	<u>\$ 203,695</u>	<u>\$ 149,258</u>
District-wide										
Net investment in capital assets	\$ 4,550,682	\$ 4,904,988	\$ 5,393,503	\$ 4,678,505	\$ 5,247,145	\$ 4,516,069	\$ 5,870,664	\$ 6,478,216	\$ 6,853,360	\$ 7,110,861
Restricted	197,547	397,671	577,993	1,725,179	1,303,263	2,356,352	1,387,321	1,107,020	1,778,100	2,221,262
Unrestricted	596,982	303,216	(1,234,174)	(1,113,651)	(1,266,446)	(1,269,906)	(1,570,175)	(1,353,999)	(1,547,917)	(1,382,236)
Total district-wide	<u>\$ 5,345,211</u>	<u>\$ 5,605,875</u>	<u>\$ 4,737,322</u>	<u>\$ 5,290,033</u>	<u>\$ 5,283,962</u>	<u>\$ 5,602,515</u>	<u>\$ 5,687,810</u>	<u>\$ 6,231,237</u>	<u>\$ 7,083,543</u>	<u>\$ 7,949,887</u>

*

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 3,282,752	\$ 3,307,290	\$ 3,215,086	\$ 3,995,146	\$ 4,584,497	\$ 5,147,748	\$ 5,556,786	\$ 5,201,026	\$ 5,024,532	\$ 5,841,998
Special education	1,537,296	1,650,654	1,626,623	1,738,146	2,213,199	2,012,624	2,531,457	2,179,224	2,109,723	2,302,432
Other instruction	75,067	84,814	86,365	94,110	103,495	159,826	105,645	463,989	456,539	342,013
Support services										
Tuition	258,451	244,655	266,197	243,486	246,464	251,609	137,068	147,062	36,742	13,391
Student & instruction related services	1,250,154	1,392,448	1,348,496	1,674,594	1,730,507	1,895,810	2,167,741	2,194,268	2,220,216	2,564,098
General & business administrative services	678,237	569,239	501,436	501,297	495,027	558,749	627,512	724,352	610,620	595,803
School administration	244,835	273,660	299,817	359,739	421,853	451,628	525,590	424,743	417,858	525,789
Plant operations & maintenance	567,423	671,284	581,535	626,109	572,807	745,852	830,132	578,606	737,158	689,463
Pupil transportation	314,598	273,342	274,744	289,391	257,418	237,328	212,529	269,878	233,661	242,606
Interest on long-term debt	128,355	102,179	82,234	99,843	83,905	84,181	83,341	69,223	54,186	42,766
Total governmental activities expenses	<u>8,337,168</u>	<u>8,569,565</u>	<u>8,282,533</u>	<u>9,621,861</u>	<u>10,709,172</u>	<u>11,545,355</u>	<u>12,777,801</u>	<u>12,252,371</u>	<u>11,901,235</u>	<u>13,160,359</u>
Business-type activities										
Food service	124,732	129,346	126,646	124,270	132,856	133,835	131,262	111,608	88,045	60,774
Child care	139,139	123,450	126,384	96,710	99,986	129,577	132,281	126,529	72,403	60,923
Total business-type activities	<u>263,871</u>	<u>252,796</u>	<u>253,030</u>	<u>220,980</u>	<u>232,842</u>	<u>263,412</u>	<u>263,543</u>	<u>238,137</u>	<u>160,448</u>	<u>121,697</u>
Total district expenses	<u>\$ 8,601,039</u>	<u>\$ 8,822,361</u>	<u>\$ 8,535,563</u>	<u>\$ 9,842,841</u>	<u>\$ 10,942,014</u>	<u>\$ 11,808,767</u>	<u>\$ 13,041,344</u>	<u>\$ 12,490,508</u>	<u>\$ 12,061,683</u>	<u>\$ 13,282,056</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Program revenues										
Governmental activities										
Charges for services	\$73,900	\$27,742	\$34,607	\$28,250	\$20,045	\$73,123	\$62,010	\$24,020	\$59,638	\$ 115,663
Operating grants & contributions	167,463	181,008	170,529	180,347	174,306	165,509	182,247	132,831	217,182	144,202
Capital grants & contributions	64,576	10,124	-	-	-	-	-	-	-	-
Total governmental activities	<u>305,939</u>	<u>218,874</u>	<u>205,136</u>	<u>208,597</u>	<u>194,351</u>	<u>238,632</u>	<u>244,257</u>	<u>156,851</u>	<u>276,820</u>	<u>259,865</u>
Business-type activities										
Charges for services										
Food service	95,156	85,273	87,708	85,615	80,117	82,629	85,080	70,901	59,511	131
Child care	178,671	110,082	134,188	144,852	125,574	136,043	136,569	143,604	91,952	18,428
Operating grants & contributions	26,255	37,174	37,972	38,888	46,068	43,018	40,155	35,625	32,051	48,541
Total business-type activities	<u>300,082</u>	<u>232,529</u>	<u>259,868</u>	<u>269,355</u>	<u>251,759</u>	<u>261,690</u>	<u>261,804</u>	<u>250,130</u>	<u>183,514</u>	<u>67,100</u>
Total district-wide program revenues	<u>\$ 606,021</u>	<u>\$ 451,403</u>	<u>\$ 465,004</u>	<u>\$ 477,952</u>	<u>\$ 446,110</u>	<u>\$ 500,322</u>	<u>\$ 506,061</u>	<u>\$ 406,981</u>	<u>\$ 460,334</u>	<u>\$ 326,965</u>
Net (expense) revenues										
Governmental activities	\$ (8,031,229)	\$ (8,350,691)	\$ (8,077,397)	\$ (9,413,264)	\$ (10,514,821)	\$ (11,306,723)	\$ (12,533,544)	\$ (12,095,520)	\$ (11,624,415)	\$ (12,900,494)
Business-type activities	<u>36,211</u>	<u>(20,267)</u>	<u>6,838</u>	<u>48,375</u>	<u>18,917</u>	<u>(1,722)</u>	<u>(1,739)</u>	<u>11,993</u>	<u>23,066</u>	<u>(54,597)</u>
Total district-wide net expenses	<u>\$ (7,995,018)</u>	<u>\$ (8,370,958)</u>	<u>\$ (8,070,559)</u>	<u>\$ (9,364,889)</u>	<u>\$ (10,495,904)</u>	<u>\$ (11,308,445)</u>	<u>\$ (12,535,283)</u>	<u>\$ (12,083,527)</u>	<u>\$ (11,601,349)</u>	<u>\$ (12,955,091)</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General revenues & other changes in net position										
Governmental activities										
Property taxes levied for general purposes, net	\$ 6,055,296	\$ 6,055,296	\$ 6,176,403	\$ 6,299,930	\$ 6,547,034	\$ 6,719,150	\$ 6,853,532	\$ 6,990,599	\$ 7,195,106	\$ 7,425,545
Taxes levied for debt service	526,121	532,545	537,661	501,796	297,463	309,618	311,324	314,222	299,592	295,645
Unrestricted grants & contributions	1,883,405	1,986,350	1,861,933	3,082,105	3,632,374	4,574,753	5,442,761	5,280,575	4,708,862	6,082,082
Investment earnings	3,073	1,689	1,390	6,916	6,483	14,304	28,555	27,449	18,236	2,583
Miscellaneous income	83	441	9,037	26,821	6,479	9,173	7,817	14,035	73,601	15,420
Special item - gain (loss) on disposition of assets	-	55,286	-	-	-	-	(22,891)	-	-	-
Operating transfer	-	90,000	-	-	-	-	(21,005)	-	-	-
Total governmental activities	<u>8,467,978</u>	<u>8,721,607</u>	<u>8,586,424</u>	<u>9,917,568</u>	<u>10,489,833</u>	<u>11,626,998</u>	<u>12,600,093</u>	<u>12,626,880</u>	<u>12,295,397</u>	<u>13,821,275</u>
Business-type activities										
Investment earnings	141	55	48	32	-	-	-	-	-	10
Miscellaneous income	-	-	-	-	-	-	-	74	-	150
Special item - gain (loss) on disposition of assets	-	-	-	-	-	-	(520)	-	-	-
Operating transfer	-	(90,000)	-	-	-	-	21,005	-	-	-
Total business-type activities	<u>141</u>	<u>(89,945)</u>	<u>48</u>	<u>32</u>	<u>-</u>	<u>-</u>	<u>20,485</u>	<u>74</u>	<u>-</u>	<u>160</u>
Total district-wide	<u>\$ 8,468,119</u>	<u>\$ 8,631,662</u>	<u>\$ 8,586,472</u>	<u>\$ 9,917,600</u>	<u>\$ 10,489,833</u>	<u>\$ 11,626,998</u>	<u>\$ 12,620,578</u>	<u>\$ 12,626,954</u>	<u>\$ 12,295,397</u>	<u>\$ 13,821,435</u>
Change in net position										
Governmental activities	\$ 436,749	\$ 370,916	\$ 509,027	\$ 504,304	\$ (24,988)	\$ 320,275	\$ 66,549	\$ 531,360	\$ 670,982	\$ 920,781
Business-type activities	<u>36,352</u>	<u>(110,212)</u>	<u>6,886</u>	<u>48,407</u>	<u>18,917</u>	<u>(1,722)</u>	<u>18,746</u>	<u>12,067</u>	<u>23,066</u>	<u>(54,437)</u>
Total district	<u>\$ 473,101</u>	<u>\$ 260,704</u>	<u>\$ 515,913</u>	<u>\$ 552,711</u>	<u>\$ (6,071)</u>	<u>\$ 318,553</u>	<u>\$ 85,295</u>	<u>\$ 543,427</u>	<u>\$ 694,048</u>	<u>\$ 866,344</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Restricted	\$ 200,409	\$ 397,671	\$ 577,993	\$ 728,955	\$ 831,129	\$ 1,015,505	\$ 1,037,928	\$ 904,677	\$ 1,631,735	\$ 2,138,947
Committed	135,081	146,262	29,479	196,739	43,591	196,623	85,984	145,428	62,313	181,088
Assigned	181,251	30,000	-	-	-	-	-	-	-	-
Unassigned	193,869	144,850	131,317	139,131	212,719	281,203	212,784	414,512	380,177	533,444
Total general fund	<u>\$ 710,610</u>	<u>\$ 718,783</u>	<u>\$ 738,789</u>	<u>\$ 1,064,825</u>	<u>\$ 1,087,439</u>	<u>\$ 1,493,331</u>	<u>\$ 1,336,696</u>	<u>\$ 1,464,617</u>	<u>\$ 2,074,225</u>	<u>\$ 2,853,479</u>
									*	
All other governmental funds										
Restricted, reported in										
Special revenue fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,619	\$ 65,576
Capital projects fund	-	-	-	996,223	471,135	890,179	28,424	16,674	16,674	16,674
Debt service fund	-	-	-	-	999	450,668	320,969	185,669	47,072	65
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 996,223</u>	<u>\$ 472,134</u>	<u>\$ 1,340,847</u>	<u>\$ 349,393</u>	<u>\$ 202,343</u>	<u>\$ 146,365</u>	<u>\$ 82,315</u>
									*	

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax levy	\$ 6,581,417	\$ 6,587,841	\$ 6,714,064	\$ 6,801,726	\$ 6,844,497	\$ 7,028,768	\$ 7,164,856	\$ 7,304,821	\$ 7,494,698	\$ 7,721,190
Tuition charges	64,450	26,650	23,072	21,331	15,840	72,700	57,412	19,820	59,638	93,686
Interest earnings	3,073	1,669	1,390	6,916	6,483	14,304	28,555	27,449	18,236	2,583
Miscellaneous	18,745	19,739	30,603	43,169	10,142	14,737	12,667	21,906	91,259	49,044
Rents and royalties	-	-	-	-	4,205	423	4,598	4,200	-	-
State sources	1,860,552	1,986,350	1,861,933	2,060,640	2,310,923	2,517,174	2,631,610	3,175,973	3,042,046	3,307,265
State sources - capital projects	64,576	-	-	-	-	-	-	-	-	-
Federal sources	181,104	172,926	160,499	170,918	170,643	159,945	177,397	124,960	199,524	132,555
Total revenues	8,773,917	8,795,175	8,791,561	9,104,700	9,362,733	9,808,051	10,077,095	10,679,129	10,905,401	11,306,323
Expenditures										
Instruction										
Regular instruction	2,140,059	2,297,341	2,315,569	2,351,082	2,612,392	2,653,564	2,568,736	2,643,123	2,555,727	2,588,719
Special education instruction	813,675	851,116	891,693	881,981	932,565	876,619	989,032	977,392	995,981	1,007,045
Other special instruction	192,768	218,102	197,423	190,695	224,098	167,043	178,055	182,378	122,872	73,645
Other instruction	71,386	80,908	82,361	89,750	99,775	88,801	101,534	104,854	112,620	67,457
Support services										
Tuition	166,803	142,727	171,096	150,477	246,464	161,560	48,549	105,324	36,742	13,391
Student & inst related services	820,473	912,176	944,721	959,368	1,094,985	1,068,259	1,183,194	1,183,051	1,206,060	1,240,427
General administration	219,939	242,270	221,603	131,529	150,619	176,750	179,265	145,897	150,069	167,652
School administration services	183,410	186,453	187,559	211,005	222,827	228,880	245,734	252,353	244,284	239,560
Central services	151,469	152,881	157,048	175,520	179,165	185,926	191,357	165,893	177,681	177,293
Administrative information technology	27,914	31,597	28,904	41,886	45,667	40,725	36,462	36,891	77,395	47,663
Plant operations & maintenance	566,606	674,443	510,361	505,893	500,443	618,788	677,134	574,489	612,680	554,748
Pupil transportation	314,598	273,342	274,744	289,391	257,418	237,328	212,529	269,878	233,661	242,606
Employee benefits	1,274,384	1,280,565	1,217,177	1,247,043	1,313,412	1,292,017	1,506,772	1,633,997	1,629,876	(431,697,886)
On-behalf TPAF Pension & Social Security contribution	624,779	781,792	652,189	824,236	899,358	1,019,282	1,216,527	1,333,020	1,396,863	435,074,048
Capital outlay	240,000	67,743	195,772	28,099	-	18,976	91,352	159,284	122,012	134,613
Capital projects	153,845	-	-	1,111,283	525,088	116,287	861,755	11,750	-	-
Special revenue funds	167,463	191,132	170,529	180,347	174,306	165,509	182,247	132,831	217,182	183,222
Debt service										
Principal	415,000	440,000	465,000	450,000	275,000	320,000	645,000	780,000	558,959	429,705
Interest & other charges	122,393	107,680	87,806	66,856	110,626	82,132	88,945	74,853	59,365	47,211
Total expenditures	8,666,964	8,932,268	8,771,555	9,886,441	9,864,208	9,518,446	11,204,179	10,767,258	10,510,029	10,591,119

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds (continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess (deficiency) of revenues over (under) expenditures	\$ 106,953	\$ (137,093)	\$ 20,006	\$ (781,741)	\$ (501,475)	\$ 289,605	\$ (1,127,084)	\$ (88,129)	\$ 395,372	\$ 715,204
Other financing sources (uses)										
Capital leases (non-budgeted)	240,000	-	-	-	-	-	-	69,000	-	-
Proceeds from bond issue	-	-	-	2,104,000	-	985,000	-	-	-	-
Insurance claim proceeds for storm damage	-	55,266	-	-	-	-	-	-	-	-
Transfers in (out)	-	90,000	-	-	-	-	(21,005)	-	-	-
Total other financing sources (uses)	240,000	145,266	-	2,104,000	-	985,000	(21,005)	69,000	-	-
Net change in fund balances	\$ 346,953	\$ 8,173	\$ 20,006	\$ 1,322,259	\$ (501,475)	\$ 1,274,605	\$ (1,148,089)	\$ (19,129)	\$ 395,372	\$ 715,204
Debt service as a percentage of non-capital expenditures	6.95%	6.59%	6.89%	6.28%	4.31%	4.48%	7.71%	8.78%	6.33%	4.78%

Source: District Records

Note: 1) Non-capital expenditures are total expenditures less capital outlay.
2) During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
General Fund - Other Local Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Interest income	\$ 3,156	\$ 1,669	\$ 1,390	\$ 3,410	\$ 6,483	\$ 9,502	\$ 28,555	\$ 27,449	\$ 18,236	\$ 2,583
Tuition	64,450	26,650	23,072	21,331	15,840	72,700	57,412	19,820	59,638	93,686
Refunds	-	-	800	-	-	-	-	-	-	-
Rental	9,450	943	8,045	4,175	4,205	423	4,598	4,200	-	-
Prior year										
Refunds	-	440	1,025	20,680	657	204	3,959	11,171	29,589	9,525
Outstanding checks canceled	-	-	692	-	-	1,454	-	-	340	3,110
Lease Proceeds	-	-	-	-	-	-	-	-	38,618	-
Insurance recovery	-	-	3,750	-	-	-	-	-	-	-
Workshop fee	-	150	3,490	2,745	-	3,000	-	-	-	-
iPad insurance	-	-	2,657	6,140	3,438	4,110	2,750	2,835	2,700	-
Miscellaneous	-	-	114	-	-	405	1,108	29	2,354	2,785
Annual totals	<u>\$ 77,056</u>	<u>\$ 29,852</u>	<u>\$ 45,035</u>	<u>\$ 58,481</u>	<u>\$ 30,623</u>	<u>\$ 91,798</u>	<u>\$ 98,382</u>	<u>\$ 65,504</u>	<u>\$ 151,475</u>	<u>\$ 111,689</u>

Source: District Records

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
By Constituent District - Town of Clinton
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 4,891,560	\$ 6,798,400	\$ 5,995,800	\$ 6,050,500	\$ 5,149,900	\$ 5,154,400	\$ 4,752,700	\$ 3,628,200	\$ 3,152,200	\$ 2,967,700
Residential	314,374,900	268,505,400	265,511,000	266,926,800	270,059,300	274,311,500	278,608,000	285,448,400	290,187,300	296,853,200
Farm regular	-	-	119,750	119,750	119,750	119,750	119,750	119,750	119,750	119,750
Q farm	38,200	38,200	53,850	45,700	46,500	44,300	49,800	52,900	54,500	51,600
Commercial	81,246,500	75,335,700	73,645,300	73,680,100	72,417,800	72,190,800	72,392,800	75,963,400	78,780,900	76,351,900
Industrial	-	-	-	-	-	-	-	-	-	-
Apartment	9,638,600	8,694,800	8,401,300	8,401,300	9,791,600	15,228,800	16,994,900	19,832,000	20,062,400	20,465,000
Total assessed value	410,189,760	359,372,500	353,727,000	355,224,150	357,584,850	367,049,550	372,917,950	385,044,650	392,357,050	396,809,150
Public utilities (a)	1,207,689	1,207,689	-	-	-	-	-	-	-	-
Net valuation taxable	\$ 411,397,449	\$ 360,580,189	\$ 353,727,000	\$ 355,224,150	\$ 357,584,850	\$ 367,049,550	\$ 372,917,950	\$ 385,044,650	\$ 392,357,050	\$ 396,809,150
Estimated actual county equalized value	<u>\$ 390,744,000</u>	<u>\$ 378,185,031</u>	<u>\$ 381,523,007</u>	<u>\$ 382,454,942</u>	<u>\$ 382,402,791</u>	<u>\$ 387,632,855</u>	<u>\$ 387,286,271</u>	<u>\$ 398,390,740</u>	<u>\$ 413,355,510</u>	<u>\$ 419,548,689</u>
Percentage of net valuation to estimated actual equalized value	<u>105.29%</u>	<u>95.34%</u>	<u>92.71%</u>	<u>92.88%</u>	<u>93.51%</u>	<u>94.69%</u>	<u>96.29%</u>	<u>96.65%</u>	<u>94.92%</u>	<u>94.58%</u>
Total direct school tax rate (b)	\$ 1.200	\$ 1.379	\$ 1.425	\$ 1.443	\$ 1.424	\$ 1.403	\$ 1.372	\$ 1.342	\$ 1.374	\$ 1.412

Source: Municipal Tax Assessor

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

(a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.

(b) Tax rates are per \$100.

* Revalued/Reassessed

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
By Constituent District - Borough of Glen Gardner
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 1,331,803	\$ 1,239,203	\$ 1,325,403	\$ 1,241,203	\$ 1,241,203	\$ 1,308,003	\$ 1,171,103	\$ 1,158,600	\$ 1,158,600	\$ 1,097,000
Residential	128,702,700	128,632,500	129,138,100	129,097,500	129,471,200	129,537,400	130,257,300	130,459,400	129,632,200	129,723,900
Farm regular	2,430,300	2,479,000	1,965,400	1,960,900	1,960,900	1,960,900	2,003,500	1,940,200	2,304,200	2,335,600
Q farm	50,687	50,687	38,542	44,758	44,758	44,958	44,958	42,363	43,263	43,263
Commercial	4,869,500	4,869,500	4,823,300	4,823,300	4,823,300	4,904,700	4,746,100	4,746,100	4,746,100	4,746,100
Industrial	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600
Apartment	1,205,200	1,205,200	1,205,200	1,212,500	1,212,500	1,212,500	1,212,500	1,212,500	1,549,400	1,549,400
Total assessed value	139,158,790	139,044,690	139,064,545	138,948,761	139,322,461	139,537,061	140,004,061	140,127,763	140,002,363	140,063,863
Public utilities (a)	289,166	-	-	-	-	-	-	-	-	-
Net valuation taxable	\$ 139,447,956	\$ 139,044,690	\$ 139,064,545	\$ 138,948,761	\$ 139,322,461	\$ 139,537,061	\$ 140,004,061	\$ 140,127,763	\$ 140,002,363	\$ 140,063,863
Estimated actual county equalized value	\$ 171,924,493	\$ 162,454,364	\$ 157,585,366	\$ 155,042,135	\$ 154,510,881	\$ 155,455,727	\$ 159,204,072	\$ 163,034,047	\$ 169,967,662	\$ 170,934,663
Percentage of net valuation to estimated actual equalized value	81.11%	85.59%	88.25%	89.62%	90.17%	89.76%	87.94%	85.95%	82.37%	81.94%
Total direct school tax rate (b)	\$ 1.192	\$ 1.220	\$ 1.212	\$ 1.266	\$ 1.327	\$ 1.425	\$ 1.567	\$ 1.577	\$ 1.590	\$ 1.598

Source: Municipal Tax Assessor

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

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
All Constituent Districts Combined
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 6,223,363	\$ 8,037,603	\$ 7,321,203	\$ 7,291,703	\$ 6,391,103	\$ 6,462,403	\$ 5,923,803	\$ 4,786,800	\$ 4,310,800	\$ 4,064,700
Residential	443,077,600	397,137,900	394,649,100	396,024,300	399,530,500	403,848,900	408,865,300	415,907,800	419,819,500	426,577,100
Farm regular	2,430,300	2,479,000	2,085,150	2,080,650	2,080,650	2,080,650	2,123,250	2,059,950	2,423,950	2,455,350
Q farm	88,887	88,887	92,392	90,458	91,258	89,258	94,758	95,263	97,763	94,863
Commercial	86,116,000	80,205,200	78,468,600	78,503,400	77,241,100	77,095,500	77,138,900	80,709,500	83,527,000	81,098,000
Industrial	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600
Apartment	10,843,800	9,900,000	9,606,500	9,613,800	11,004,100	16,441,300	18,207,400	21,044,500	21,611,800	22,014,400
Total assessed value	549,348,550	498,417,190	492,791,545	494,172,911	496,907,311	506,586,611	512,922,011	525,172,413	532,359,413	536,873,013
Public utilities (a)	1,496,855	1,207,689	-	-	-	-	-	-	-	-
Net valuation taxable	\$ 550,845,405	\$ 499,624,879	\$ 492,791,545	\$ 494,172,911	\$ 496,907,311	\$ 506,586,611	\$ 512,922,011	\$ 525,172,413	\$ 532,359,413	\$ 536,873,013
Estimated actual county equalized value	\$ 562,668,493	\$ 540,639,395	\$ 539,108,373	\$ 537,497,077	\$ 536,913,672	\$ 543,088,582	\$ 546,490,343	\$ 561,424,787	\$ 583,323,172	\$ 590,483,352
Percentage of net valuation to estimated actual equalized value	97.90%	92.41%	91.41%	91.94%	92.55%	93.28%	93.86%	93.54%	91.26%	90.92%

Source: Municipal Tax Assessor

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

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
By Constituent District - Town of Clinton
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate				Regional School Rate	Overlapping Rates		Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate	Municipality		County		
2012	\$ 1.073	\$ 0.127	\$ 1.200	\$ 0.530	\$ 0.480	\$ 0.330	\$ 2.540	
2013	* 1.230	0.149	1.379	0.590	0.630	0.370	2.969	
2014	1.273	0.152	1.425	0.570	0.690	0.400	3.080	
2015	1.302	0.141	1.443	0.540	0.740	0.400	3.120	
2016	1.350	0.074	1.424	0.544	0.789	0.398	3.155	
2017	1.331	0.072	1.403	0.559	0.803	0.392	3.157	
2018	* 1.300	0.072	1.372	0.579	0.817	0.393	3.155	
2019	1.271	0.071	1.342	0.605	0.837	0.390	3.174	
2020	1.307	0.067	1.374	0.610	0.852	0.397	3.233	
2021	1.347	0.065	1.412	0.627	0.872	0.399	3.310	

Sources: Municipal Tax Collector

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

* Revalued/Reassessed

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates (continued)
By Constituent District - Borough of Glen Gardner
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate			Regional School Rate	Overlapping Rates		Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate		Municipality	County	
2012	\$ 1.192	\$ -	\$ 1.192	\$ 0.690	\$ 0.500	\$ 0.440	\$ 2.822
2013	1.220	-	1.220	0.690	0.530	0.420	2.860
2014	1.212	-	1.212	0.740	0.580	0.420	2.952
2015	1.266	-	1.266	0.650	0.620	0.420	2.956
2016	1.298	0.029	1.327	0.673	0.630	0.413	3.043
2017	1.394	0.031	1.425	0.575	0.639	0.413	3.052
2018	1.534	0.033	1.567	0.556	0.644	0.429	3.196
2019	1.544	0.033	1.577	0.638	0.654	0.438	3.307
2020	1.558	0.032	1.590	0.722	0.664	0.458	3.434
2021	1.566	0.032	1.598	0.730	0.674	0.460	3.462

Sources: Municipal Tax Collector

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

* Revalued/Reassessed

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Principal Property Taxpayers
By Constituent District-Town of Clinton
Current Year and Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Park Valley Clinton LLC	\$ 7,360,700	1	1.85%	\$ -		-
Ansuya Riverbend LLC	5,144,300	2	1.30%	-		-
Halstead Place at Clinton LLC	4,493,600	3	1.13%	-		-
FMCD Realty LP C/O M Lazowsky	3,821,500	4	0.96%	2,079,600	9	0.51%
SNG Properties LLC	3,393,800	5	0.86%	2,750,000	7	0.66%
Unity Bancorp Inc	3,263,200	6	0.82%	-		-
Goldstar Property LLC	3,199,600	7	0.81%	3,396,800	2	0.83%
Clinton Garden Associates	3,095,000	8	0.78%	3,938,500	1	0.96%
Old 22 Urban Renewal Assoc LLC	2,950,000	9	0.74%	-		-
Rowland House LLC/ Clinton II	2,925,000	10	0.74%	2,800,000	5	0.68%
Hunterdon Realty LLC	-		-	3,226,800	3	0.78%
Great Atlantic & Pacific Tea Co	-		-	2,887,000	4	0.70%
Clinton Unity Group	-		-	2,752,000	6	0.67%
Chrisellan Investors, Partnership	-		-	2,164,200	8	0.53%
Z & F LLC	-		-	1,926,300	10	0.47%
	<u>\$ 39,646,700</u>		<u>9.99%</u>	<u>\$ 27,921,200</u>		<u>6.79%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Principal Property Taxpayers (continued)
By Constituent District-Borough of Glen Gardner
Current Year and Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
	Individual Property Owner	\$ 1,256,400	1	0.90%	\$ 1,216,700	1
Individual Property Owner	871,000	2	0.62%	966,200	2	0.69%
Eastern Concrete Materials	794,500	3	0.57%	794,500	3	0.57%
Cutts Heritage Investment LLC	599,000	4	0.43%	-		-
School Street Properties	585,500	5	0.42%	-		-
Individual Property Owner	535,400	6	0.38%	703,300	4	0.51%
Individual Property Owner	516,850	7	0.37%	623,000	5	0.45%
Individual Property Owner	506,400	8	0.36%	-		-
Samtram Property LLC	501,300	9	0.36%	-		-
Individual Property Owner	492,500	10	0.35%	572,100	8	0.41%
Glen Gardner Partnership	-		-	585,500	6	0.42%
Heartland Inc	-		-	584,000	7	0.42%
Individual Property Owner	-		-	535,400	9	0.38%
Individual Property Owner	-		-	531,600	10	0.38%
	<u>\$ 6,658,850</u>		<u>4.76%</u>	<u>\$ 7,112,300</u>		<u>5.10%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Property Tax Levies and Collections - Local Tax Levy by Constituent District
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Total	Town of Clinton		Borough of Glen Gardner	
		General	Debt Service	General	Debt Service
2012	\$ 6,581,417	\$ 4,415,494	\$ 526,121	\$ 1,639,802	\$ -
2013	6,587,841	4,392,907	532,545	1,662,389	-
2014	6,714,064	4,478,679	537,661	1,697,724	-
2015	6,801,726	4,614,245	501,796	1,685,685	-
2016	6,844,497	4,828,040	258,100	1,718,994	39,363
2017	7,028,768	4,880,678	267,993	1,838,472	41,625
2018	7,164,856	4,879,015	268,516	1,974,517	42,808
2019	7,304,821	4,813,667	267,000	2,176,932	47,222
2020	7,494,698	5,000,464	254,810	2,194,642	44,782
2021	7,721,190	5,272,137	252,766	2,153,408	42,879

Source: District Records

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Property Tax Levies and Collections (continued)
By Constituent District-Town of Clinton
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Year	Collected within the Year of the Levy (a)	
		Amount	Percentage of Levy
2012	\$ 4,941,615	\$ 4,941,615	100.00%
2013	4,925,452	4,925,452	100.00%
2014	5,016,340	5,016,340	100.00%
2015	5,116,041	5,116,041	100.00%
2016	5,086,140	5,086,140	100.00%
2017	5,148,671	5,148,671	100.00%
2018	5,147,531	5,147,531	100.00%
2019	5,080,667	5,080,667	100.00%
2020	5,255,274	5,255,274	100.00%
2021	5,524,903	5,524,903	100.00%

Source: District Records

Note:

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

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Property Tax Levies and Collections (continued)
By Constituent District - Borough of Glen Gardner
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Year	Collected within the Year of the Levy (a)	
		Amount	Percentage of Levy
2012	\$ 1,639,802	\$ 1,639,802	100.00%
2013	1,662,389	1,662,389	100.00%
2014	1,697,724	1,697,724	100.00%
2015	1,685,685	1,685,685	100.00%
2016	1,758,357	1,758,357	100.00%
2017	1,880,097	1,729,391	91.98%
2018	2,017,325	2,168,031	107.47%
2019	2,224,154	2,223,954	99.99%
2020	2,239,424	2,194,842	98.01%
2021	2,196,287	2,226,287	101.37%

Source: District Records

Note:

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

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2012	\$ 2,310,000	\$ -	\$ 200,834	\$ -	\$ -	\$ 2,510,834	0.75%	\$ 539	
2013	1,870,000	-	121,974	-	-	1,991,974	0.57%	429	
2014	1,405,000	-	41,158	-	-	1,446,158	0.42%	312	
2015	3,059,000	-	-	-	-	3,059,000	0.85%	665	
2016	2,784,000	-	-	-	-	2,784,000	0.75%	605	
2017	3,449,000	-	-	-	-	3,449,000	0.89%	744	
2018	2,804,000	-	-	-	-	2,804,000	0.71%	605	
2019	2,024,000	-	59,143	-	-	2,083,143	0.51%	451	
2020	1,484,000	-	40,184	-	-	1,524,184	0.36%	330	
2021	1,074,000	-	20,479	-	-	1,094,479	N/A	237	

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

- (a) See Exhibit J-14 for personal income and population data.
These ratios are calculated using personal income and population for the prior calendar year.

N/A Information is not available

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	% of Actual Taxable Value of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions			
2012	\$ 2,310,000	\$ -	\$ 2,310,000	0.42%	\$ 496
2013	1,870,000	-	1,870,000	0.37%	403
2014	1,405,000	-	1,405,000	0.29%	304
2015	3,059,000	-	3,059,000	0.62%	665
2016	2,784,000	-	2,784,000	0.56%	605
2017	3,449,000	-	3,449,000	0.68%	744
2018	2,804,000	-	2,804,000	0.55%	605
2019	2,024,000	-	2,024,000	0.39%	438
2020	1,484,000	-	1,484,000	0.28%	321
2021	1,074,000	-	1,074,000	0.20%	234

Notes: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

(a) See Exhibit J-7 for property tax data.

(b) Population data can be found in Exhibit J-14.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
By Constituent District-Town of Clinton
As of December 31, 2020

	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Debt
Governmental Unit			
Debt repaid with property taxes			
Municipality	\$ 3,774,122	100.00%	\$ 3,774,122
Regional High School	8,110,000	4.90%	397,460
County general obligation debt	90,647,955	1.87%	1,699,275
Subtotal, overlapping debt			5,870,856
School district direct debt			992,843
Total direct and overlapping debt			\$ 6,863,699

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each Governmental Unit.

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

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

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt (continued)
By Constituent District-Borough of Glen Gardner
As of December 31, 2020

Governmental Unit	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Debt
Debt repaid with property taxes			
Municipality	\$ 1,415,862	100.00%	\$ 1,415,862
Regional High School	8,110,000	2.02%	163,654
County general obligation debt	90,647,955	0.77%	699,675
Subtotal, overlapping debt			2,279,190
School district direct debt			351,157
Total direct and overlapping debt			\$ 2,630,347

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each Governmental Unit.

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

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

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2021

	Equalized Valuation Basis	
	2020	\$ 590,537,702
	2019	581,668,267
	2018	555,394,017
		<u>\$ 1,727,599,986</u>
Average equalized valuation of taxable property		<u>\$ 575,866,662</u>
Debt limit (3.0% of average equalization value)	(a)	\$ 17,276,000
Total net debt applicable to limit		<u>1,074,000</u>
Legal debt margin		<u>\$ 16,202,000</u>

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt limit	\$ 16,163,220	\$ 16,236,719	\$ 16,430,080	\$ 16,814,131	\$ 17,276,000
Total net debt applicable	<u>3,449,000</u>	<u>2,804,000</u>	<u>2,024,000</u>	<u>1,484,000</u>	<u>1,074,000</u>
Legal debt margin	<u>\$ 12,714,220</u>	<u>\$ 13,432,719</u>	<u>\$ 14,406,080</u>	<u>\$ 15,330,131</u>	<u>\$ 16,202,000</u>
Total net debt applicable to the limit as a percentage of debt limit	21.34%	17.27%	12.32%	8.83%	6.22%

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt limit	\$ 17,813,780	\$ 17,007,105	\$ 16,530,684	\$ 16,170,134	\$ 16,100,929
Total net debt applicable	<u>2,310,000</u>	<u>1,870,000</u>	<u>3,509,000</u>	<u>3,059,000</u>	<u>2,784,000</u>
Legal debt margin	<u>\$ 15,503,780</u>	<u>\$ 15,137,105</u>	<u>\$ 13,021,684</u>	<u>\$ 13,111,134</u>	<u>\$ 13,316,929</u>
Total net debt applicable to the limit as a percentage of debt limit	12.97%	11.00%	21.23%	18.92%	17.29%

Source: Equalized valuation bases were obtained from the annual report of the State of New Jersey Department of Treasury, Division of Taxation.

(a) Limit Set by N.J.S.A. 18A:24-19.

See independent auditors' report.

**CLINTON-GLEN GARDNER SCHOOL DISTRICT
Demographic and Economic Statistics
By Constituent District - Town of Clinton
Last Ten Fiscal Years**

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2012	2,701	\$ 194,299,136	\$ 71,936	5.7%
2013	2,685	202,016,715	75,239	7.6%
2014	2,680	201,147,400	75,055	4.6%
2015	2,669	209,716,675	78,575	3.7%
2016	2,656	215,194,432	81,022	3.5%
2017	2,700	226,100,700	83,741	3.3%
2018	2,697	229,331,304	85,032	3.2%
2019	2,692	238,416,980	88,565	2.4%
2020	2,693	248,539,663	92,291	6.9%
2021	2,675	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by county estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

**CLINTON-GLEN GARDNER SCHOOL DISTRICT
Demographic and Economic Statistics (continued)
By Constituent District - Borough of Glen Gardner
Last Ten Fiscal Years**

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2012	1,956	\$ 140,706,816	\$ 71,936	5.4%
2013	1,959	147,393,201	75,239	4.9%
2014	1,948	146,207,140	75,055	5.1%
2015	1,930	151,649,750	78,575	4.3%
2016	1,942	157,344,724	81,022	4.2%
2017	1,938	162,290,058	83,741	3.4%
2018	1,937	164,706,984	85,032	3.5%
2019	1,928	170,753,320	88,565	3.3%
2020	1,925	177,660,175	92,291	7.7%
2021	1,910	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

**CLINTON-GLEN GARDNER SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago**

2021

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

2012

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Full Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	<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	29.8	33.2	34.2	35.5	36.4	36.4	36.7	36.7	35.3	38.2
Special education	18.0	19.0	19.5	18.0	16.5	16.5	16.2	16.2	16.4	16.0
Support services										
Student and instruction related services	12.9	11.9	10.9	9.4	11.5	11.5	11.5	10.5	10.8	12.0
General administration	1.5	1.5	1.5	0.9	1.4	1.3	1.5	1.5	1.8	1.8
School administration services	2.3	2.3	2.3	2.5	2.0	2.0	2.0	2.0	2.0	2.0
Central services	1.9	1.8	1.8	2.0	2.1	2.1	2.1	2.1	2.1	2.5
Plant operations and maintenance	-	-	5	4.6	4.6	4.8	4.7	3.7	4.0	4.1
Total	<u>66.4</u>	<u>69.7</u>	<u>75.2</u>	<u>72.9</u>	<u>74.5</u>	<u>74.6</u>	<u>74.7</u>	<u>72.7</u>	<u>72.4</u>	<u>76.6</u>

Source: District Personnel Records

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	June 30 Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2012	496	\$ 7,735,726	\$ 15,596	-4.14%	42	1 to 11.75	492.1	472.7	-3.30%	96.06%
2013	477	8,316,845	17,436	11.80%	43	1 to 11.25	477.1	457.4	-3.05%	95.87%
2014	478	8,022,977	16,784	-3.74%	43	1 to 11.12	475.4	455.5	-0.36%	95.81%
2015	480	8,230,203	17,146	2.16%	44	1 to 11.00	483.9	464.5	1.79%	95.99%
2016	460	8,953,494	19,464	13.52%	46	1 to 11.10	455.8	436.8	-5.81%	95.83%
2017	454	8,981,051	19,782	1.63%	46	1 to 9.60	442.3	423.9	-2.96%	95.84%
2018	447	9,517,127	21,291	7.63%	46	1 to 9.70	443.9	424.6	0.36%	95.65%
2019	425	9,741,371	22,921	7.66%	45	1 to 9.40	425.0	403.9	-4.26%	95.04%
2020	438	9,769,693	22,305	-2.69%	45	1 to 9.73	435.7	421.9	2.52%	96.83%
2021	426	9,979,590	23,426	5.03%	46	1 to 9.26	420.3	410.6	-3.53%	97.69%

Source: District Records

- (a) Operating expenditures equal total expenditures less debt service and capital outlay.
- (b) Teaching staff includes only full-time equivalents or certificated staff.
- (c) Average Daily Enrollment and Average Daily Attendance are obtained from the School Register Summary.

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Elementary (1923)</u>										
Square feet	75,668	75,668	75,668	75,668	75,668	75,668	75,668	75,668	75,668	75,668
Capacity (students)	605	605	605	605	605	605	605	605	605	605
Enrollment	496	477	478	480	456	442	429	425	422	422

Number of schools at June 30, 2021:

Elementary	1
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Source: District Facilities Office

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

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Required Maintenance Expenditures by School Facility
Last Ten Fiscal Years

Undistributed Expenditures - Required Maintenance for School Facilities

<u>Fiscal Year Ended</u>	<u>Amount</u>
2012	\$ 144,525
2013	153,784
2014	160,104
2015	149,592
2016	152,020
2017	233,910
2018	274,254
2019	181,026
2020	208,327
2021	225,820
Total school facilities	<u>\$ 1,883,362</u>

Source: District Records

Note: School Facilities as Defined Under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Insurance Schedule
June 30, 2021
(Unaudited)

	Coverage	Deductible
School Commercial Package Policy - NJ School Insurance Group		
Property - Building Blanket and Contents	\$ 21,197,068	\$ 5,000
General Liability	31,000,000	-
Workers' Compensation	3,000,000	-
School Board Legal Liability	31,000,000	5,000
Crime/Dishonesty	1,000,000	1,000
Student Accident - Bollinger Insurance Co.		
Student Accident Policy	6,000,000	-
Catastrophe - Fireman's Fund	25,000,000	-
Environmental Liability - Beazley/Lloyd's		
Environmental Liability	500,000	10,000
Microbial Matter		Max 250,000
Public Employees' Faithful Performance - Selective Insurance		
Treasurer	180,000	-
School Board Secretary	175,000	-

Source: District Records

See independent auditors' report.

SINGLE AUDIT SECTION



Certified Public Accountants, PC
www.bkc-cpa.com

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

Honorable President and
Members of the Board of Education
Clinton-Glen Gardner School District
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of the Clinton-Glen Gardner School District, County of Hunterdon, the State of New Jersey, (the District), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 15, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clinton-Glen Gardner School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a significant deficiency.

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 2021-001.

Clinton-Glen Gardner School District's Response to Findings

Clinton-Glen Gardner School District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

February 15, 2022
Flemington, New Jersey



**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform
Guidance and New Jersey OMB Circular 15-08-OMB**

Honorable President and
Members of the Board of Education
Clinton-Glen Gardner School District
County of Hunterdon, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Clinton-Glen Gardner School District's, (the District), compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 *State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2021. The District's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB Circular 15-08. Those standards, the Uniform Guidance and the OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the 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 District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the 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 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 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 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 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 state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a significant deficiency.

The District's response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

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



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

February 15, 2022
Flemington, New Jersey

**CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2021**

Grantor/Program Title	Federal		Project Number	Program or Award Amount	Grant		Balance 06/30/20	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment	Balance June 30, 2021		
	CFDA Number	FAIN Number			Period From To	of Prior Year Balance						Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education passed through State Department of Education Special Revenue Fund															
Special education cluster (IDEA)															
IDEA Basic	84.027	H027A200100	IDEA-0910-21	\$ 122,959	07/01/20	06/30/21	\$ -	\$ -	\$ -	\$ 15,329	\$ -	\$ -	\$ (15,329)	\$ -	\$ -
IDEA Basic	84.027	H027A190100	IDEA-0910-20	117,251	07/01/19	06/30/20	(19,863)	(59,406)	71,781	-	-	-	(7,488)	-	-
IDEA Basic - Carryover	84.027	H027A190100	IDEA-0910-20	117,251	07/01/19	06/30/20	-	59,406	-	59,406	-	-	-	-	-
IDEA Preschool	84.173	H173A200114	IDEA-0910-21	5,531	07/01/20	06/30/21	-	-	4,000	5,531	-	-	(1,531)	-	-
IDEA Preschool	84.173	H173S190114	IDEA-0910-20	5,514	07/01/19	06/30/20	-	(1,122)	1,122	-	-	-	-	-	-
IDEA Preschool - Carryover	84.173	H173S190114	IDEA-0910-20	5,514	07/01/19	06/30/20	-	1,122	-	1,122	-	-	-	-	-
Total special education cluster (IDEA)							(19,863)	-	76,903	81,388	-	-	(24,348)	-	-
Title I A	84.010	S010A200030	ESSA-0910-21	29,228	07/01/20	06/30/21	-	-	-	3,120	-	-	(3,120)	-	-
Title I A	84.011	S010S190030	ESSA-0910-20	45,442	07/01/19	06/30/20	(9,081)	-	9,081	-	-	-	-	-	-
Title II A	84.012	S010A200030	ESSA-0910-21	16,348	07/01/20	06/30/21	-	-	-	15,269	-	-	(15,269)	-	-
Rural Education Achievement Program	84.358	S358B193030	S358A194213	38,241	07/01/19	06/30/20	(38,241)	-	38,241	-	-	-	-	-	-
CARES Emergency Relief	84.425	S425D200027	CARES-0910-21	23,370	03/13/20	09/30/22	(10,277)	-	23,370	13,093	-	-	-	-	-
Coronavirus Relief Fund	84.425	S425D200027	CARES-0910-21	16,572	07/01/20	06/30/21	-	-	16,572	16,572	-	-	-	-	-
CRRSA - Mental Health	84.425	S425D200027	CRSSA-0910-23	45,000	03/13/20	09/30/23	-	-	-	3,177	-	-	(3,177)	-	-
Total Special Revenue Fund							(77,462)	-	164,167	132,619	-	-	(45,914)	-	-
U.S. Department of Agriculture passed through State Department of Agriculture Enterprise Fund															
Child Nutrition Cluster															
National School Lunch Program															
Non-Cash Assistance (Commodities)	10.555	211NJ304N1099	N/A	4,922	10/01/20	09/30/21	-	-	4,922	3,015	-	-	-	1,907	-
National School Lunch Program															
Non-Cash Assistance (Commodities)	10.555	201NJ304N1099	N/A	7,877	10/01/19	09/30/20	1,521	-	-	1,521	-	-	-	-	-
School Breakfast Program															
Cash Assistance	10.553	201NJ304N1099	N/A	23,165	10/01/19	09/30/20	(307)	-	307	-	-	-	-	-	-
School Breakfast Program															
Cash Assistance	10.553	211NJ304N1099	N/A	14,666	10/01/20	09/30/21	-	-	12,927	14,666	-	-	(1,739)	-	-
National School Lunch Program															
Cash Assistance	10.555	201NJ304N1099	N/A	23,165	10/01/19	09/30/20	(581)	-	581	-	-	-	-	-	-
National School Lunch Program															
Cash Assistance	10.555	211NJ304N1099	N/A	27,811	10/01/20	09/30/21	-	-	24,518	27,811	-	-	(3,293)	-	-
Total Enterprise Fund							633	-	43,255	47,013	-	-	(5,032)	1,907	-
Total Federal Financial Assistance							\$ (76,829)	\$ -	\$ 207,422	\$ 179,632	\$ -	\$ -	\$ (50,946)	\$ 1,907	\$ -

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2021

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020		Cash Received	Budgetary Expenditure	Adjustment Repayment	Balance June 30, 2021			Memo	
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education														
General Fund														
Special Education Categorical Aid	21-495-034-5120-089	\$ 261,844	07/01/20	06/30/21	\$ -	\$ -	\$ 236,004	\$ 261,844	\$ -	\$ -	\$ -	\$ -	\$ 25,840	\$ 261,844
Equalization Aid	21-495-034-5120-078	622,046	07/01/20	06/30/21	-	-	560,660	622,046	-	-	-	-	61,386	622,046
School Choice Aid	21-495-034-5120-068	52,780	07/01/20	06/30/21	-	-	47,571	52,780	-	-	-	-	5,209	52,780
Security Aid	21-495-034-5120-084	38,137	07/01/20	06/30/21	-	-	34,373	38,137	-	-	-	-	3,764	38,137
Transportation Aid	21-495-034-5120-014	101,114	07/01/20	06/30/21	-	-	91,136	101,114	-	-	-	-	9,978	101,114
Extraordinary Aid	21-100-034-5121-473	388,093	07/01/20	06/30/21	-	-	-	388,093	-	(388,093)	-	-	-	388,093
Extraordinary Aid	20-100-034-5121-473	277,942	07/01/19	06/30/20	(252,637)	-	277,942	25,305	-	-	-	-	-	277,942
Non-Public Transportation Aid	21-495-034-5120-014	1,740	07/01/20	06/30/21	-	-	-	1,740	-	(1,740)	-	-	-	1,740
On-Behalf TPAF Pension contribution - Teachers' Pension & Annuity Fund	21-495-034-5094-002	1,051,384	07/01/20	06/30/21	-	-	1,051,384	1,051,384	-	-	-	-	-	1,051,384
On-Behalf TPAF Pension contribution - Non-Contributory Insurance	21-495-034-5094-004	20,004	07/01/20	06/30/21	-	-	20,004	20,004	-	-	-	-	-	20,004
On-Behalf TPAF Pension contribution - Postretirement Medical	21-495-034-5094-001	335,756	07/01/20	06/30/21	-	-	335,756	335,756	-	-	-	-	-	335,756
On-Behalf TPAF Pension contribution - Long-term Disability Insurance	21-495-034-5094-004	561	07/01/20	06/30/21	-	-	561	561	-	-	-	-	-	561
Reimbursed TPAF Social Security Contribution	20-495-034-5094-003	279,461	07/01/19	06/30/20	(36)	-	36	-	-	-	-	-	-	279,461
Reimbursed TPAF Social Security Contribution	21-495-034-5094-003	291,803	07/01/20	06/30/21	-	-	277,308	291,803	-	(14,495)	-	-	-	291,803
Total General Fund					(252,673)	-	2,932,735	3,190,567	-	(404,328)	-	-	106,177	3,722,665
State Department of Education														
Debt Service Fund														
Debt Service Aid - State Support	21-495-034-5120-017	100,416	07/01/20	06/30/21	-	-	100,416	100,416	-	-	-	-	-	100,416
Total Debt Service Fund					-	-	100,416	100,416	-	-	-	-	-	100,416
State Department of Agriculture														
Enterprise Fund														
State School Lunch Program	20-100-010-3350-023	1,159	07/01/19	06/30/20	(264)	-	264	-	-	-	-	-	-	1,159
State School Lunch Program	21-100-010-3350-023	1,528	07/01/20	06/30/21	-	-	1,156	1,528	-	(372)	-	-	-	1,528
Total Enterprise Fund					(264)	-	1,420	1,528	-	(372)	-	-	-	2,687

See independent auditors' report.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2021

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020		Cash Received	Budgetary Expenditure	Adjustment Repayment	Balance June 30, 2021			Memo	
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
Total State Financial Assistance					\$ (252,937)	\$ -	\$ 3,034,571	\$3,292,511	\$ -	\$ (404,700)	\$ -	\$ -	\$106,177	\$ 3,825,768
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution - teachers' pension & annuity fund	21-495-034-5094-002							1,051,384						
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	21-495-034-5094-004							20,004						
On-Behalf TPAF Pension Contribution - Postretirement Medical	21-495-034-5094-001							335,756						
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	21-495-034-5094-004							561						
Total for State Financial Assistance - Major Program Determinator								<u>\$1,884,806</u>						

See independent auditors' report.

CLINTON-GLEN GARDNER 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 of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal awards and state financial assistance programs of the Clinton-Glen Gardner School District. The District is defined in Note 1 (A) to the District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

Note 2 - Basis of accounting

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are 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 bases of accounting are described in Notes 1 (C) and 1 (D) to the District's basic financial statements.

Note 3 - Relationship of financial statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$16,282 for the general fund and (\$64) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2021

Note 3 - Relationship of financial statements (continued)

Financial assistance revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Local</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General fund	\$ -	\$ -	\$ 3,206,849	\$ 3,206,849
Special revenue fund	33,624	132,555	-	166,179
Debt service fund	-	-	100,416	100,416
Food service fund	-	47,013	1,528	48,541
Total awards and financial assistance	<u>\$ 33,624</u>	<u>\$ 179,568</u>	<u>\$ 3,308,793</u>	<u>\$ 3,521,985</u>

Note 4 - Relationship to federal and state financial reports

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

Note 5 - Other

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021. TPAF Social Security Contribution 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.

Note 6 - Indirect costs

The District has elected not to utilize the 10% de minimis indirect cost rate.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal Control Over Financial Reporting:

- 1. Were material weakness(es) identified? Yes No
- 2. Were significant deficiencies identified? Yes None reported

Noncompliance material to basic financial statements noted?

Yes No

Federal Awards

Not Applicable

Internal Control Over Major Programs:

- 1. Were material weakness(es) identified? Yes No
- 2. Were significant deficiencies identified? Yes None reported

What was the type of auditor's report issued on compliance for major programs?

Were any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a)?

Yes No

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

What was the dollar threshold used to distinguish between Type A and Type B programs?

Did the auditee qualify as a low-risk auditee?

Yes No

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

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

State Awards

What was the dollar threshold used to distinguish between Type A and Type B programs? \$750,000

Did the auditee qualify as a low-risk auditee? X Yes ___ No

Internal Control Over Major Programs:

1. Were material weakness(es) identified? ___ Yes X No

2. Were there significant deficiencies identified that are not considered to be material weaknesses? X Yes ___ None reported

What was the type of auditor's report issued on compliance for major programs? Unmodified

Were any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable? X Yes ___ No

Identification of Major Programs:

<u>State Grant/Project Numbers</u>	<u>Name of State Program</u>
	<i>State Aid Public Cluster:</i>
<u>21-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>21-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>21-495-034-5120-084</u>	<u>Security Aid</u>
<u>21-495-034-5120-068</u>	<u>School Choice Aid</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section II - Financial Statement Findings and State Financial Assistance Findings and Questioned Costs

Finding 2021-001

Criteria

Cash balances in the financial reports of the District should be supported by bank reconciliations.

Condition

Bank reconciliation totals did not agree with cash balances detailed in the financial reports of the District.

Context

As part of our audit procedures, we compared cash balances as reported by the Board Secretary and the Treasurer to supporting bank reconciliations.

Cause

Bank reconciliations were not compared to cash balances in the financial reports of the District.

Effect

Bank reconciliations did not agree with cash balances detailed in the financial reports of the District.

Recommendation

Bank reconciliations should be compared to cash balances detailed in the financial statements and differences should be addressed in a timely manner.

Views of responsible officials and planned corrective action (unaudited)

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**CLINTON-GLEN GARDNER SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021**

Section III - Federal Awards and Findings and Questioned Costs

Federal awards

There were no findings or questioned costs for the year ended June 30, 2021.

K-7

**CLINTON-GLEN GARDNER SCHOOL DISTRICT
Summary Schedule of Prior year Audit Findings
and Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2021**

Status of Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action has been taken on finding number 2020-002. Corrective action was not taken for finding number 2020-001, which is repeated as finding number 2021-001.