

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF EWING
SCHOOL DISTRICT
EWING, NEW JERSEY**



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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

BOARD OF EDUCATION

TOWNSHIP OF EWING

COUNTY OF MERCER, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prepared by

**Dennis J. Nettleton, Board Secretary / School Business Administrator
and the
Finance Department of the Ewing Township Board of Education**

TOWNSHIP OF EWING SCHOOL DISTRICT
Table of Contents

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	2
Certificate of Excellence	10
Organizational Chart	11
Roster of Officials	12
Consultants and Advisors	13
FINANCIAL SECTION	
Independent Auditor's Report	15
Required Supplementary Information - Part I Management's Discussion and Analysis	21
Basic Financial Statements	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	38
A-2 Statement of Activities	39
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	41
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	42
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	43
Proprietary Funds:	
B-4 Combining Statement of Net Position	44
B-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	45
B-6 Combining Statement of Cash Flows	46
Fiduciary Funds:	
B-7 Combining Statement of Fiduciary Net Position	N/A
B-8 Combining Statement of Changes in Fiduciary Net Position	N/A
Notes to the Financial Statements	47
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	87
C-1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant - Budget and Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	98
C-3 Budget-to-GAAP Reconciliation	100

TOWNSHIP OF EWING SCHOOL DISTRICT
Table of Contents (Cont'd)

FINANCIAL SECTION (CONT'D)		Page
Required Supplementary Information - Part III		
L. Schedules Related to Accounting and Reporting for Pensions		
L-1	Schedule of the School District's Proportionate Share of the Net Pension Liability – PERS	102
L-2	Schedule of the School District's Contributions – PERS	103
L-3	Schedule of the School District's Proportionate Share of the Net Pension Liability – TPAF	104
L-4	Schedule of the School District's Contributions – TPAF	105
L-5	Notes to the Required Supplementary Information - Part III	106
Required Supplementary Information - Part IV		
M. Schedules Related to Accounting and Reporting for OPEB		
M-1	Schedule of Changes in the School District's Total OPEB Liability and Related Ratios	108
M-2	Notes to the Required Supplementary Information - Part IV	109
Other Supplementary Information		
D. School Based Budget Schedules		
D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:		
E-1	Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	112
E-2	Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:		
F-1	Summary Schedule of Project Expenditures	118
F-2	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances	119
F-2a-	Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status	120
	-2p	

TOWNSHIP OF EWING SCHOOL DISTRICT
Table of Contents (Cont'd)

FINANCIAL SECTION (CONT'D)	Page
Other Supplementary Information (Cont'd)	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	137
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	138
G-3 Combining Statement of Cash Flows	139
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	N/A
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	141
I-2 Schedule of Obligations under Capital Leases	142
I-3 Debt Service Fund Budgetary Comparison Schedule	143
STATISTICAL SECTION (Unaudited)	
Introduction to the Statistical Section	
Financial Trends	
J-1 Net Position by Component	146
J-2 Changes in Net Position	147
J-3 Fund Balances - Governmental Funds	149
J-4 Changes in Fund Balances - Governmental Funds	150
J-5 General Fund Other Local Revenue by Source	151
Revenue Capacity	
J-6 Assessed Value and Actual Value of Taxable Property	153
J-7 Direct and Overlapping Property Tax Rates	154
J-8 Principal Property Taxpayers	155
J-9 Property Tax Levies and Collections	156
Debt Capacity	
J-10 Ratios of Outstanding Debt by Type	158
J-11 Ratios of Net General Bonded Debt Outstanding	159
J-12 Direct and Overlapping Governmental Activities Debt	160
J-13 Legal Debt Margin Information	161

TOWNSHIP OF EWING SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
STATISTICAL SECTION (Unaudited) (Cont'd)	
Demographic and Economic Information	
J-14 Demographic and Economic Statistics	163
J-15 Principal Non-Governmental Employers	164
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	166
J-17 Operating Statistics	167
J-18 School Building Information	168
J-19 Schedule of Required Maintenance	169
J-20 Insurance Schedule	170
SINGLE AUDIT SECTION	
K-1 Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	18
K-2 Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB	172
K-3 Schedule of Expenditures of Federal Awards, Schedule A	174
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	176
K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	178
K-6 Schedule of Findings and Questioned Costs	180
Section 1 - Summary of Auditor's Results	180
Section 2 - Schedule of Financial Statement Findings	182
Section 3 - Schedule of Federal Award Findings and Questioned Costs	183
Section 4 - Schedule of State Financial Assistance Findings and Questioned Costs	184
K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	185

INTRODUCTORY SECTION



The Ewing Public Schools

DISTRICT ADMINISTRATIVE OFFICES

2099 Pennington Road; Ewing, NJ 08618
Phone: (609) 538-9800 / Fax: (609) 538-0041
www.ewing.k12.nj.us

March 31, 2022

Honorable President and Members
Of the Board of Education and Ewing Community
Ewing Township School District
Ewing, New Jersey

Dear Board Members and Constituents:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Ewing Township School District for the fiscal year ended June 30, 2021. This ACFR includes the basic financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP) for local governments. Responsibility for both the accuracy of the data, and completeness and fairness of the presentation, including all disclosures, rests with the School District. 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 School District. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities, including the Management's Discussion, & Analysis (MD&A), have been included.

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a Letter of Transmittal, Certificate of Excellence in Financial Reporting Award from the Association of School Business Officials (ASBO) International, a Roster of Officials, List of Consultants and Advisors, and an Organizational Chart of the School District.
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, and other schedules providing detailed budgetary information
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the school district, general presented on a multi-year basis;

Providing A Foundation For Life



The Ewing Public Schools

- The Single Audit Section – The District is required to undergo an annual Single Audit in conformity with the provisions 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 New Jersey State Treasury Circular Letter 15-08 OMB, “Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid.” Information related to the Single Audit, including the independent auditors’ report on the internal controls and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Ewing Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14, as amended. All funds of the District are included in this report. The Ewing Township Board of Education and its five schools constitute the district’s reporting entity. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2020-2021 fiscal year with an average daily enrollment of 3,376 students, which is 44 students less than the previous year’s enrollment. The following details the changes in Student average daily enrollment of the district over the last five years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>No. of Students Increase/(Decrease)</u>	<u>Percent Increase/(Decrease)</u>
2020-21	3,376	(44)	(1.29)%
2019-20	3,420	(60)	(1.72)%
2018-19	3,480	(35)	(1.00)%
2017-18	3,515	(15)	(0.42)%
2016-17	3,530	(23)	(0.65)%
2015-16	3,553	(47)	(1.31)%

A demographic study is conducted annually after the finalization of the October 15, Annual Application for State School Aid (ASSA) is completed. The study includes all of the proposed new housing related to the Township of Ewing’s current redevelopment plans and uses the five-year cohort survival method. The decrease in enrollment recently seen can be largely attributed to declining birth rate, and that trend is expected to continue. However, when combining the declining birthrate with an anticipated influx of students from redevelopment efforts, the student population is expected to stabilize over the time frame of the redevelopment.

One item discussed in the current year Demographic Report is the impact of the ongoing COVID-19 public health emergency on enrollments. In the short term it will clearly impact the



The Ewing Public Schools

local economy, new home construction, rentals, etc. That stated it may be difficult to predict any long-term impact on enrollment. In a recent New York Times article¹, families with financial means are leaving large metropolitan areas to reside in their second homes in rural COVID-free areas or are purchasing an existing home. With parents able to work remotely and seeking to escape pandemic hotspots, it is unclear if they will reside there on a permanent basis. Some parents are also pulling their children out of existing districts and seeking schools for their children that provide in-person instruction in favor of those offering hybrid or solely online instruction². It will be important to provide some context regarding the impact of the pandemic when looking at future enrollments.

SCHOOL DISTRICT ORGANIZATION

The Ewing Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14, as amended. The Ewing Township Board of Education and its five schools constitute the district's reporting entity.

The district continues to maintain a high quality of education and provides a full range of programs and services appropriate to school aged children in grades Pre-school through 12. These include regular education, programs for the very able students (gifted and talented), as well as those for students with disabilities placed both in and out of district. Three elementary schools, a middle school, and high school comprise the district's instructional facilities.

Supervising district-wide goals is a district Superintendent, a School Business Administrator/Board Secretary, an Assistant Superintendent for Curriculum and Instruction, a Director of Special Education/Operations/Technology/Grants Management, and five curriculum supervisors. Each school has a principal and a floating vice-principal on assignment. The Middle School and High School each have two Vice-Principals.

The Board of Education comprised of nine members, each elected to three-year terms, meets on the fourth Monday of each month for the regular monthly meeting. During the meetings, the Board determines district goals and priorities and conducts the business of the Board. Board meetings are open to the public and generally begin at 7:00 PM. During the COVID-19 ongoing Public Health Crisis, meetings have been held by remote means either through Google Meet or Zoom platforms. Meetings are also Live-Streamed via the district's YouTube channel. At the current time it is unclear how long this practice will continue.

PTAs/PTOs are highly active in the district and provide community support for a variety of programs and activities for the children. To maintain effective communications, the district

¹ <https://www.nytimes.com/2020/09/26/us/coronavirus-vermont-transplants.html>

² <https://www.npr.org/2020/10/09/920316481/enrollment-is-dropping-in-public-schools-around-the-country>



The Ewing Public Schools

uses several methods to insure that information flows out to stakeholders in an efficient and consistent manner. The district utilizes a monthly newsletter, electronic backpack and Honeywell Instant Alert to communicate with the School Community. Additional Communication tools include the district website and Board Docs eGovernance portal are updated regularly with important information for parents and constituents.

EDUCATIONAL PROGRAM

District Mission Statement

The Ewing Public Schools, is an institution governed by the policies, regulations and bylaws developed by The Ewing Public Schools Board of Education and the New Jersey Department of Education, and believes that all students can learn. The district's goal is to provide an educational system that dovetails academic excellence with the moral, equal, and respectful treatment of self and others in order to prepare its students to become up-standing, self-sufficient and contributing citizens. This goal will be achieved through teamwork and commitment of the district's network of educators, administrators, board of education members, support staff, parents, elected officials and the greater community. Together they form a partnership whose common vision facilitates, expects and demands ever-improving levels of achievement for Ewing's students and all stakeholders. We will accept nothing less.

The district follows district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality. All curricula in the district have been aligned to the New Jersey Core Curriculum Content Standards and Common Core State Standards.

The district has expanded its Advanced Placement (AP) programs offerings over the last few years and has been recognized in the current and preceding year with an AP Honor Roll award for increasing the number of students participating in AP courses who were also high achieving. The High School will continue to encourage participation in AP courses and plans to expand course opportunities in the future. The High School is currently examining its prerequisite criteria for courses to expand student opportunities to be exposed to more challenging learning settings.

We are also continuing to expand elective opportunities in our Middle School setting to enhance a more aligned grade 6 through 12 curriculum path for students. The district provides a continuum of services for students who are not meeting expectations or are at-risk. At the K-8 level the district has infused a Response to Intervention (RTI) model in the classroom for Language Arts and Math Instruction through Early Intervention Specialists at the K through 5 levels and in grades 6 through 8.

Providing A Foundation For Life



The Ewing Public Schools

All curriculum provides accommodation/remediation and extension opportunities for students. Beyond the classroom teacher providing interventions, students are screened using multiple assessments in both language arts and math. The district will continue to enhance and adjust its programs to meet the demanding rigor of the new Federal and State mandates to ensure that its students receive a comprehensive and well-rounded education as we teach the whole child.

INTERNAL CONTROLS

The administration is responsible for establishing and maintaining internal controls that are designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements that are in conformity with accounting principles generally accepted in the United States (GAAP). Internal controls are designed to provide reasonable assurance that these goals are achieved. Reasonable assurance takes into account the following:

- The cost of controls should not exceed the benefits anticipated to be derived; and
- The valuation of costs and benefits requires estimates and judgements by administration

As a recipient of Federal and State awards, the District is also responsible for ensuring that an adequate control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control system is also subject to periodic review by the District management.

As part of the district's Single Audit, described earlier, tests are made to determine adequacy of the internal control system, including the portion related to the Federal and State assistance programs, as well as to determine that the district has complied with applicable laws, regulations, contracts, and grants.

BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund (when necessary). Project-length budgets are approved for the capital improvements accounted for in the capital projects fund.

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 assignments of fund balance at fiscal year-end.



The Ewing Public Schools

ACCOUNTING SYSTEM & REPORTS

The District's accounting records reflect accounting principles generally accepted in the United States (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and a government-wide presentation is also included. These funds and government-wide financial statements are explained in "Notes to the Basic Financial Statements," Note 1.

DEBT ADMINISTRATION

The District's outstanding debt issues included \$57,198,000 of general obligation bonds as of June 30, 2021. Under provisions of New Jersey statutes, school districts may not incur indebtedness of greater than 4% of the average equalized valuation of taxable property. At June 30, 2021, the District's outstanding debt issues are still below the legal debt margin. The District continues to be committed to providing the debt rating agencies and all other interested parties with annual audited financial statements and other pertinent credit information relevant to our outstanding securities.

FINANCIAL STATUS

The Business Administrator and Board of Education continue to guide the District with fiscal prudence while working within the limitations imposed by the state's 2% cap on the annual increase of the tax revenue collected by Ewing Township. The business office utilizes purchasing cooperatives, state contracts, and bids and quotes to purchase the materials needed to operate the District at the most fiscally responsible cost to the taxpayers of Ewing Township.

CASH MANAGEMENT

The investment policy of the District is guided in large part by state statutes as detailed in "Notes to Basic Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the 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.

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. The School Business Administrator oversees risk management for the District. A schedule of insurance coverage is found in the Statistical Section as Schedule J-20.



The Ewing Public Schools

OUTLOOK FOR THE FUTURE: FISCAL YEAR 2021-22 AND BEYOND

The Ewing Township School District, along with many other public school systems in the State, will continue to face difficult economic realities given that our primary funding source remains property tax revenue. In the 2017-18, 2018-19, 2019-20, 2020-21, and 2021-22 school years, the district was granted an additional amount of State Aid. Though overall, the district received slightly more money in State Aid in 2020-21, budgets under these conditions remain difficult to manage. While it is understandable that the Pandemic was not planned and very damaging to the local and world economies, the State should take care to try and make changes to State Aid (additions or subtractions) before district's have their Boards approve a final budget. According to Ewing's 2021-22 State Aid Funding Memo the district is still underfunded by more than \$3 million. The District's administration will continue to monitor closely, the cost of operations and look for new funding sources and efficiencies in order to maintain the high quality of programming currently offered.

The Township of Ewing continues to experience an expansive redevelopment project in many different parts of the community. That coupled with the aging of district infrastructure has created challenges for the district. As the redevelopment continues, the district will monitor any anticipated student influx and review facilities accordingly.

<u>School Buildings</u>			
<u>Building</u>	<u>Year Built/Renovated</u>	<u>Functional Capacity</u>	<u>Square Footage</u>
Antheil Elementary	1982	886	111,198
Lore Elementary	1954	839	71,571
Parkway Elementary	1993	534	67,417
Fisher Middle	1960	970	157,085
Ewing High	1950	1,435	202,755
Ryan (O'Brien Academy)	1946	25	3,914
Gusz Building	1979	N/A	23,156

It should be noted that the District Administration currently has no permanent home and is renting office space in town. A permanent long-term solution is to be explored in a future year.

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman & Company LLP was selected by the Board of Education through the submission of competitive proposals. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the 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 State of New Jersey Circular 15-08-



The Ewing Public Schools

OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

AWARDS

- *Certificate of Excellence in Financial Reporting*: The District had applied to the Association of School Business Officials (ASBO) International for the “Certificate of Excellence in Financial Reporting” for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2015, 2016, 2017, 2018, 2019, and 2020. The Certificate of Award was granted for each year and has been made a part of the introductory section of this year’s ACFR. In order to be awarded this certificate, the District published an easily readable and efficiently organized Annual Comprehensive Financial Report and satisfied both account principles generally accepted in the United States (GAAP) and applicable legal requirements.
- *Burlington County Joint Insurance Fund Awards*: The District belongs to a Joint Insurance Fund for the procurement of worker’s compensation and liability insurance. Annually, the Fund reviews member performance, and recognizes the hard work of its members. For the fiscal year ending June 30, 2021, the district was awarded an Elite Safety Incentive Award for meeting a strict set of criteria of safety and preventative measures as reviewed by the fund. In addition, the district has been recognized for maintaining its overall loss ratio below 50% for the year in several years.

ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Ewing Township School District Board of Education 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 in the Business Office.

Respectfully submitted,

Michael A. Nitti
Superintendent of Schools

Dennis J. Nettleton, CPA, RSBA, SFO
School Business Administrator/Board Secretary



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

The Ewing Public Schools

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence.



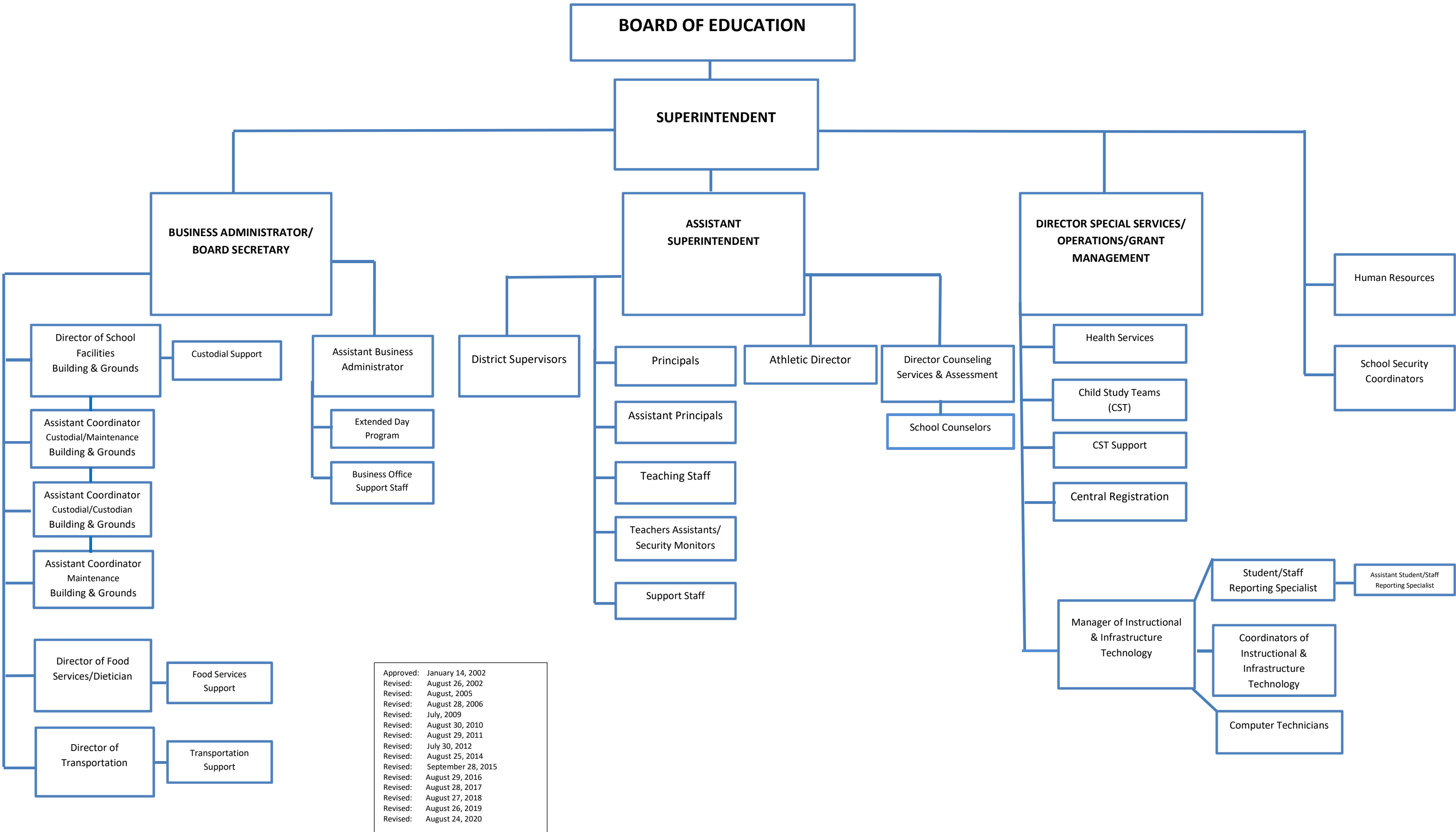
W. Edward Chabal

W. Edward Chabal
President

David J. Lewis

David J. Lewis
Executive Director

THE EWING PUBLIC SCHOOLS – DISTRICT ORGANIZATIONAL CHART



Approved: January 14, 2002
 Revised: August 26, 2002
 Revised: August, 2005
 Revised: August 28, 2006
 Revised: July, 2009
 Revised: August 30, 2010
 Revised: August 29, 2011
 Revised: July 30, 2012
 Revised: August 25, 2014
 Revised: September 28, 2015
 Revised: August 29, 2016
 Revised: August 28, 2017
 Revised: August 27, 2018
 Revised: August 26, 2019
 Revised: August 24, 2020

**Ewing Township Board of Education
2099 Pennington Road
Ewing, New Jersey 08618**

**ROSTER OF OFFICIALS
JUNE 30, 2021**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ms. Lisa McConnell, President	2021
Mr. Anthony Messina, Vice-President	2021
Dr. Channing Conway	2023
Mrs. Deborah Delutis	2021
Ms. Deborah Jones	2022
Ms. Jennifer Miller	2023
Mr. Tyrone Miller	2023
Mr. Michael Miller	2022
Mrs. Stephanie Staub	2022

OTHER OFFICIALS

Michael A. Nitti, *Superintendent of Schools*

Dennis J. Nettleton, *CPA, RSBA, SFO, School Business
Administrator/Board Secretary*

**Ewing Township Board of Education
2099 Pennington Road
Ewing, New Jersey 08618**

Consultants and Advisors

Architect

Fraytak, Veisz, Hopkins, Duthie, P.C.
1515 Lower Ferry Road
Trenton, NJ 08618

Audit Firm

Daniel M. DiGangi, CPA, RMA, PSA, CMFO
Bowman & Company LLP
601 White Horse Road
Voorhees, NJ 08043-2493

Attorney

Marc H. Zitomer, Esq.
Schenck, Price, Smith & King, LLP
220 Park Avenue
PO Box 991
Florham Park, NJ 07932

Bond Counsel

Parker McCay, P.C.
9000 Midlantic Drive
Suite 300
Mount Laurel, NJ 08054

Official Depository

Investors Bank
79 W Upper Ferry Rd.
West Trenton, NJ 08628

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Ewing School District
County of Mercer
Ewing, New Jersey 08618

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Ewing School District, in the County of Mercer, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Township of Ewing School District, in the County of Mercer, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Principle

As discussed in note 1 to the financial statements, during the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Consistency of Financial Statements

Because of the implementation of GASB Statement No. 84, several funds of the School District that were reported as fiduciary fund types in the prior fiscal year are now reported in governmental activities and governmental fund types. Our opinion is not modified with respect to this matter.

Prior Period Restatement

In addition, because of the implementation of GASB Statement No. 84, net position and fund balance as of July 1, 2020 on the statement of activities and statement of revenues, expenditures, and changes in fund balances have been restated, as discussed in note 21 to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as 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 Matters (Cont'd)*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Ewing School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2022 on our consideration of the Township of Ewing School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Ewing School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Ewing School District's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 002376

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Ewing School District
County of Mercer
Ewing, New Jersey 08618

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in compliance with 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 each major fund of the Township of Ewing School District, in the County of Mercer, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 31, 2022. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle, and additional paragraphs on the consistency of financial statements and prior period restatement resulting from the new accounting principle.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 002376

Voorhees, New Jersey
March 31, 2022

REQUIRED SUPPLEMENTARY INFORMATION
PART I



THE EWING PUBLIC SCHOOLS

Michael A. Nitti, Superintendent of Schools
Dennis J. Nettleton, CPA, RSBA, SFO, School Business Administrator

DISTRICT ADMINISTRATIVE OFFICES
2099 Pennington Road, Ewing, NJ 08618
Phone: (609) 538-9800 Fax: (609) 538-0041
www.ewing.k12.nj.us

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

Management's Discussion and Analysis

The discussion and analysis of Ewing Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021 and 2020. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year (2020-2021) and the prior year (2019-2020) is required to be presented in MD&A.

Overview of Financial Statements

The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and supplementary information and other information in addition to the basic financial statements themselves.

Financial Highlights

Key financial highlights for 2020-2021 are as follows:

In total, net position totaled \$12,242,682 which represents a \$6,478,247 increase from 2020.

General revenues accounted for \$78,091,441 in revenue or 74.08% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$27,316,917 or 25.92% of total revenues of \$105,408,357.

EWING TOWNSHIP BOARD OF EDUCATION

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

Total assets of governmental activities increased by \$7,031,424.

In the governmental activities, the District had \$97,618,554 in expenses; only \$26,564,295 of these expenses were offset by program specific charges for services and grants or contributions. General revenues (primarily property taxes and federal and state aid) of \$78,085,682 were adequate to provide for these programs.

Among major funds, the General Fund had \$87,483,288 in revenues and \$80,650,642 in expenditures. The General Fund's fund balance increased \$5,807,646 over 2020. The General Fund's fund balance is \$15,875,837. The increase was caused by revenue being in excess of expenditures.

The Special Revenue Fund had \$2,969,544 in revenue and \$3,010,597 in expenditures.

During the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standard Board (GASB) Statement No. 84 – Fiduciary Activities. The notes to the financial statements provide a more thorough discussion of the implementation of this GASB Statement and the effects to the financial statements. Because of the implementation of GASB Statement No. 84, net position and fund balance as of July 1, 2020 have been restated, however, for the purpose of this management's discussion and analysis, they were shown as originally reported.

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

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

Reporting the School District as a Whole

Comparative Statement of Net Position and Comparative Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2021?" The Comparative Statement of Net Position and the Comparative Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. 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 change to that position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

EWING TOWNSHIP BOARD OF EDUCATION

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

Comparative Statement of Net Position and Comparative Statement of Activities (Cont'd)

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

Governmental Activities — All of the School District's programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business Type Activities — This service is provided on a charge for goods or services basis to recover all the expenses of the goods and services provided. The Food Service enterprise fund and Extended Day Program enterprise fund are reported as business activities.

Reporting the School District's Funds

Fund Financial Statement

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund.

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund, special revenue fund and debt service fund to demonstrate compliance with this budget

The basic governmental fund financial statements can be found on exhibits B-1 through B-3 of this report.

EWING TOWNSHIP BOARD OF EDUCATION

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

Proprietary Funds

The District maintains two proprietary fund types. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for the operations of its food service program and extended day program.

The basic proprietary fund financial statements can be found on exhibits B-4 through B-6 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found directly after the B exhibits of this report.

The School District as a Whole

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

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

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

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the assets, deferred inflows and outflows of resources and liabilities of the District, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The Government-wide financial statements can be found on exhibits A-1 and A-2 of this report.

The Statement of Net Position provides the financial perspective of the District as a whole. Table 1 provides a comparative summary of the School District's net position for 2021 and 2020.

EWING TOWNSHIP BOARD OF EDUCATION

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

Government-wide Financial Statements (Cont'd)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$12,297,631 at the close of fiscal 2021. The following table provides a summary of net position at June 30, 2021 and 2020 relating to the District's governmental and business-type activities:

Table 1 – Comparative Summary of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total School District</u>	
	<u>2020-2021</u>	<u>2019-2020 *</u>	<u>2020-2021</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2019-2020</u>
Assets						
Current and Other Assets	\$ 48,279,911	\$ 51,434,266	\$ 1,131,658	\$ 1,191,635	\$ 49,411,568	\$ 52,625,900
Capital Assets, Net	<u>52,678,064</u>	<u>42,533,200</u>	<u>124,406</u>	<u>140,154</u>	<u>52,802,469</u>	<u>42,673,354</u>
Total Assets	<u>\$ 100,957,974</u>	<u>\$ 93,967,465</u>	<u>\$ 1,256,063</u>	<u>\$ 1,331,789</u>	<u>\$ 102,214,038</u>	<u>\$ 95,299,255</u>
Deferred Outflows of Resources						
Pension	<u>\$ 3,888,788</u>	<u>\$ 4,137,244</u>	<u>—</u>	<u>—</u>	<u>\$ 3,888,788</u>	<u>\$ 4,137,244</u>
Total Deferred Outflows of Resources	<u>\$ 3,888,788</u>	<u>\$ 4,137,244</u>	<u>-</u>	<u>-</u>	<u>\$ 3,888,788</u>	<u>\$ 4,137,244</u>
Liabilities						
Current and Other Liabilities	\$ 4,781,730	\$ 3,141,756	\$ 1,254,895	\$ 785,669	\$ 6,036,625	\$ 3,927,425
Long-Term Liabilities						
Outstanding	<u>80,746,136</u>	<u>83,361,413</u>	<u>56,117</u>	<u>47,893</u>	<u>80,802,253</u>	<u>83,409,306</u>
Total Liabilities	<u>\$ 85,527,866</u>	<u>\$ 86,503,169</u>	<u>\$ 1,311,012</u>	<u>\$ 833,562</u>	<u>\$ 86,838,878</u>	<u>\$ 87,336,731</u>
Deferred Inflow of Resources						
Pension	<u>\$ 7,021,266</u>	<u>\$ 6,552,131</u>	<u>-</u>	<u>-</u>	<u>\$ 7,021,266</u>	<u>\$ 6,552,131</u>
Net Position						
Net Investment in						
Capital Assets	\$ 20,970,604	\$ 20,565,307	\$ 124,406	\$ 140,154	\$ 21,095,010	\$ 20,705,461
Restricted	13,398,038	8,903,593			13,398,038	8,903,593
Unrestricted (Deficit)	<u>(22,071,012)</u>	<u>(24,419,490)</u>	<u>(179,355)</u>	<u>358,073</u>	<u>(22,250,366)</u>	<u>(24,061,417)</u>
Total Net Position (Deficit)	<u>\$ 12,297,631</u>	<u>\$ 5,049,410</u>	<u>\$ (54,949)</u>	<u>\$ 498,227</u>	<u>\$ 12,242,682</u>	<u>\$ 5,547,637</u>

* As Originally Reported

EWING TOWNSHIP BOARD OF EDUCATION

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

Table 1 – Comparative Summary of Net Position (Cont'd)

The District's combined net position was \$12,242,682 on June 30, 2021. This is an increase of \$6,478,247, or 128.30% from the prior year.

The largest portion of the District's net position is its net investment in capital assets (e.g., land, construction-in-progress, buildings and improvements, and furniture, fixtures and equipment), less any related debt (bonds payable) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (namely, property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

Net investment in capital assets decreased from the prior year due to annual depreciation less the reduction in the long-term liabilities as a result in the pay-down of principal.

Long-term liabilities decreased due to the payment of bonds and a reduction in net pension liability.

Restricted net position increased mainly due to the net increase in reserves and surplus funds.

EWING TOWNSHIP BOARD OF EDUCATION

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

Government-wide Financial Statements (Cont'd)

Table 2 shows the comparative change in net position from fiscal year 2021 and 2020.

Table 2 – Comparative Change in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total School District</u>	
	<u>2020-2021</u>	<u>2019-2020 *</u>	<u>2020-2021</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2019-2020</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 234,501	\$ 621,976	\$ 224,990	\$ 821,601	\$ 459,491	\$ 1,443,577
Operating Grants and Contributions	26,329,794	20,138,884	527,632	827,715	26,857,426	20,966,599
General Revenue:						
Property Taxes	62,083,389	60,193,220			62,083,389	60,193,220
Federal and State Aid	15,109,324	14,293,559			15,109,324	14,293,559
Miscellaneous	892,970	1,152,279	5,758		898,728	1,152,279
Total Revenue	104,649,978	96,399,918	758,380	1,649,316	105,408,358	98,049,234
Expenses:						
Instruction	31,267,921	30,247,280			31,267,921	30,247,280
Tuition	5,451,482	5,560,435			5,451,482	5,560,435
Student and Instruction Related Services	7,759,368	7,656,834			7,759,368	7,656,834
School Administration	2,705,460	2,660,688			2,705,460	2,660,688
General Administration	1,867,484	1,747,458			1,867,484	1,747,458
Operation and Maintenance of Facilities	6,198,242	5,694,306			6,198,242	5,694,306
Pupil Transportation	3,699,938	4,300,049			3,699,938	4,300,049
Unallocated Benefits	33,604,105	29,998,421			33,604,105	29,998,421
Reimbursed TPAF and Social Security	2,203,581	2,127,443			2,203,581	2,127,443
Interest on Debt	1,963,477	2,218,131			1,963,477	2,218,131
Transfer to Charter Schools	897,496	787,729			897,496	787,729
Business Type Actives			1,311,556	1,802,438	1,311,556	1,802,438
Total Expenses	97,618,554	92,998,773	1,311,556	1,802,438	98,930,110	94,801,211
Excess (Deficiency) in Revenues						
Over Expenditures	7,031,424	3,401,144	(553,176)	(153,122)	6,478,248	3,248,023
Net Position - Beginning as						
Previously Stated	5,049,410	1,648,266	498,227	651,349	5,547,637	2,299,615
Prior Period Adjustment	216,797				216,797	
Net Position - Beginning as Restated	5,266,207	1,648,266	498,227	651,349	5,764,434	2,299,615
Net Position - Ending	\$ 12,297,631	\$ 5,049,410	\$ (54,949)	\$ 498,227	\$ 12,242,682	\$ 5,547,638

* As Originally Reported

EWING TOWNSHIP BOARD OF EDUCATION

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

General Fund Budgetary Highlights

The District budget is prepared according to New Jersey Statutes. The most significant budgeted fund is the general fund. During the fiscal year, there were several differences between the original budget and the final amended budget as a result of transfers being applied to certain line items. These transfers were made between line items as part of the normal process as permitted by State guidelines. Readers should refer to Section C of the financial report for comparisons between actual and budgeted amounts.

The following are explanations for variations in revenues and expenditures for certain lines where the modified budgeted amounts differ from the original budget by significant amounts. All other fluctuations were considered immaterial and no explanations were deemed required.

Revenues

- Actual tuition revenue was less than the modified budgeted amount by approximately \$265,499 or 53.10% as a result mostly of less students were received than anticipated.

Expenditures

- The modified budget for regular programs – instruction decreased from the original budget by \$137,763, or 0.67% as a result of an increase in the need for other purchased services.
- The modified budget for undistributed expenditures – instruction decreased from the original budget by \$21,000, or 0.39% as a result of an increase in the amount of students sent to County Special Services Districts and Regional Day Schools.
- The modified budget for undistributed expenditures – student transportation decreased from the original budget by \$264,709, or 4.81% as a result of additional costs related to the transportation of students by outside vendors.
- The modified budget for special education – instruction increased from the original budget by \$92,947, or 1.21% as a result of funds needed to serve special needs students.

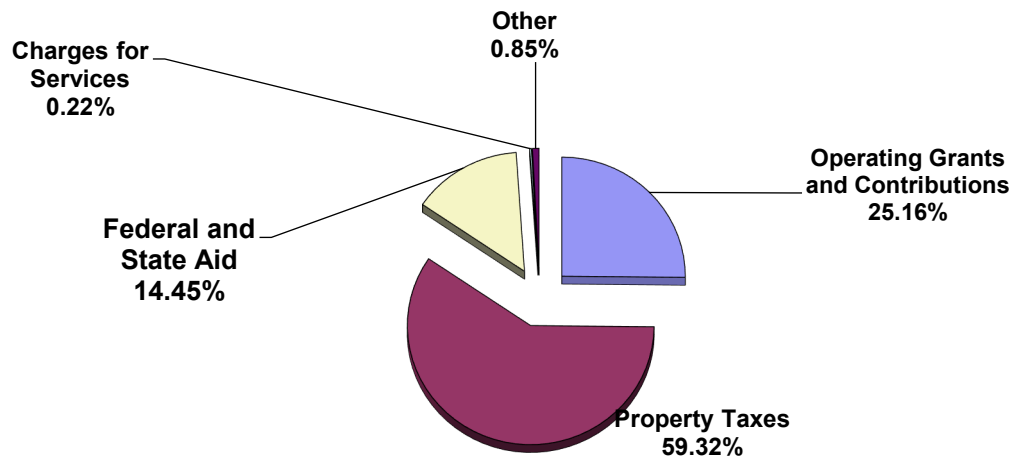
EWING TOWNSHIP BOARD OF EDUCATION

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

Governmental Activities

Property taxes of \$62,083,389 made up 59.32% percent of revenue for governmental activities for the Ewing School District for fiscal year 2021. The District's total revenues were \$104,947,977 for the year ended June 30, 2021. Federal, state and local grants for operating purposes of \$26,329,794 accounted for another 25.16% of revenue.

Revenue for Fiscal Year 2021



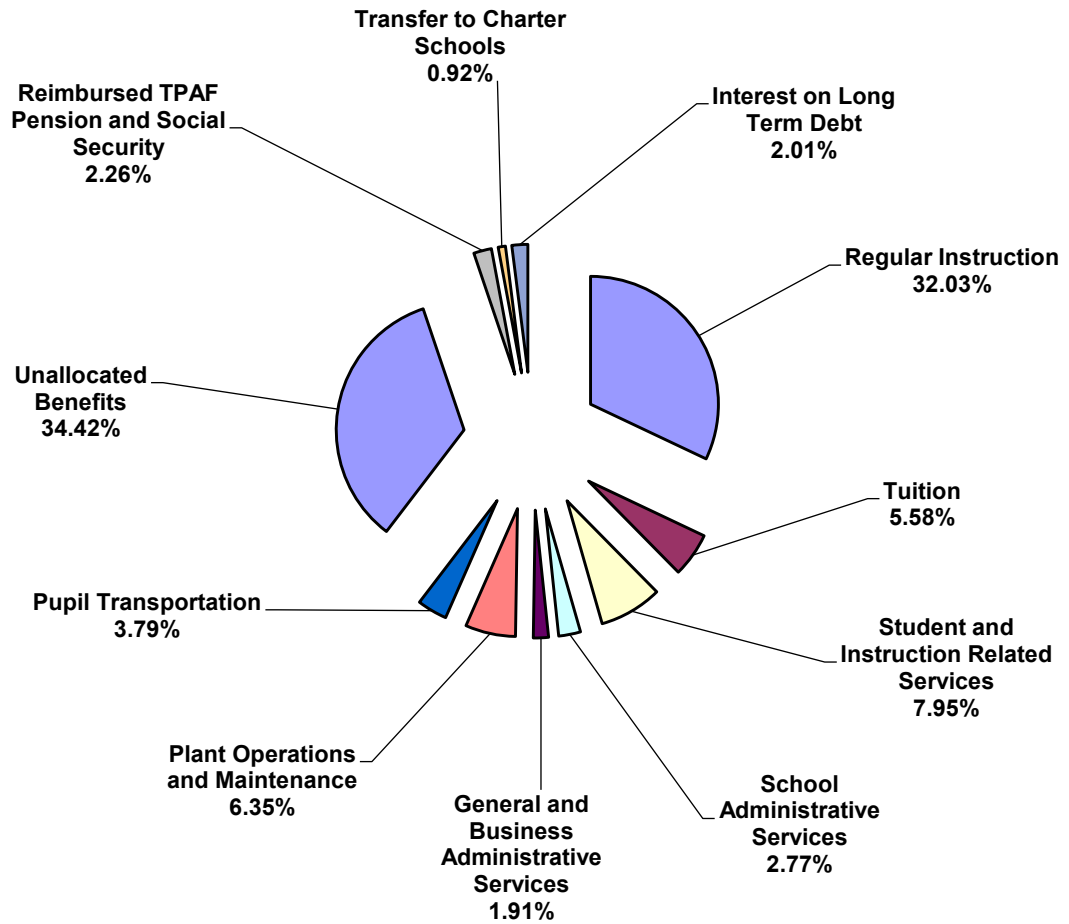
EWING TOWNSHIP BOARD OF EDUCATION

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

Governmental Activities (Cont'd)

The total cost of all programs and services was \$97,618,554.

Expenses for Fiscal Year 2021



EWING TOWNSHIP BOARD OF EDUCATION

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

Business-Type Activities

Food Service

Revenues for the District's business-type activities food service program were comprised of charges for services and federal and state reimbursements. Food service expenses exceeded revenues by \$394,499.

Charges for services represent \$168,961, or 22.79% of Business-Type Activity revenue. This represents amounts paid by patrons for daily food service, as well as special functions.

Non-operating revenues include federal and state reimbursements for meals, donated commodities and interest earnings which total \$553,390, or 72.97% of Business-Type Activity revenue.

Extended Day Program

Revenues for the District's business-type activities extended day program were comprised of charges for services.

Extended day program service expenses exceeded revenues by \$158,678.

Charges for services represent \$58,018, or 7.25% of Business-Type Activity revenue. This represents amounts paid for extended day coverage for children.

Governmental Activities

The Comparative 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 - Comparative Statement of Activities

	Total Cost of Services			Net Cost of Services		
	2020-2021	2019-2020	Percent Change	2020-2021	2019-2020	Percent Change
Instruction	\$ 31,267,921	\$ 30,247,280	3.37%	\$ 29,672,852	\$ 29,285,429	1.32%
Tuition	5,451,482	5,560,435	-1.96%	4,495,066	4,603,236	-2.35%
Support Services:						
Student & Instruction						
Related Services	7,759,368	7,656,834	1.34%	7,106,809	7,315,138	-2.85%
School Administration	2,705,460	2,660,688	1.68%	2,705,460	2,660,688	1.68%
General Administration	1,867,484	1,747,458	6.87%	1,867,484	1,747,458	6.87%
Operation and Maintenance of Facilities	6,198,242	5,694,306	8.85%	6,198,242	5,694,306	8.85%
Pupil Transportation	3,699,938	4,300,049	-13.96%	3,699,938	4,300,049	-13.96%
Unallocated Benefits	33,604,105	29,998,421	12.02%	13,081,706	14,038,611	-6.82%
Reimbursed TPAF and Social Security	2,203,581	2,127,443	3.58%			
Transfer to Charter School	897,496	787,729	13.93%	897,496	787,729	13.93%
Interest on Debt	1,963,477	2,218,131	-11.48%	1,329,206	1,805,270	-26.37%
Total Expenses	\$ 97,618,554	\$ 92,998,773	4.97%	\$ 71,054,259	\$ 72,237,913	-1.64%

EWING TOWNSHIP BOARD OF EDUCATION

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

Governmental Activities (Cont'd)

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

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

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

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

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

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

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$94,595,800 and expenditures were \$87,804,210, exclusive of the capital projects fund.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a comparative summary of the revenues of the general fund, special revenue fund and debt service fund for the fiscal years ended June 30, 2021 and June 30, 2020, and the amount of increase and decreases in relation to prior year revenues.

Comparative Summary of Revenues

<u>Revenue</u>	<u>2020-2021</u>		<u>2019-2020</u>		Increase/ (Decrease) from 2019-2020 to 2020-2021
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	
Local Sources	\$ 63,225,032	66.84%	\$ 61,994,195	69.90%	\$ 1,230,838
Intermediate Sources	112,499	0.12%			112,499
State Sources	28,208,065	29.82%	24,805,190	27.97%	3,402,875
Federal Sources	3,050,204	3.22%	1,891,051	2.13%	1,159,153
	<u>\$ 94,595,800</u>	<u>100.00%</u>	<u>\$ 88,690,435</u>	<u>100.00%</u>	<u>\$ 5,905,365</u>

EWING TOWNSHIP BOARD OF EDUCATION

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

The School District's Funds (Cont'd)

Local revenues increased primarily because of an increase in the tax levy.

State revenue increased primarily due to an increase of additional state aid.

The following schedule presents a comparative summary of general fund, special revenue fund and debt service fund exclusive of capital project fund expenditures for the fiscal years ended June 30, 2021 and June 30, 2020, and the increases and decreases in relation to prior year amounts.

Comparative Summary of Expenditures

<u>Expenditures</u>	<u>2020-2021</u>		<u>2019-2020</u>		Increase/ (Decrease) from 2018-2019 to 2019-2020
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	
Current Expense:					
Instruction	\$ 35,032,409	39.90%	\$ 34,887,314	40.71%	\$ 145,095
Undistributed Expenditures	47,629,087	54.24%	45,794,756	53.43%	1,834,331
Charter Schools	897,496	1.02%	787,729	0.92%	109,767
Capital Outlay	102,246	0.12%	467,222	0.55%	(364,976)
Debt Service:					
Principal	2,100,000	2.39%	1,520,000	1.77%	580,000
Interest	2,042,971	2.33%	2,245,317	2.62%	(202,346)
	<u>\$ 87,804,209</u>	<u>100.00%</u>	<u>\$ 85,702,339</u>	<u>100.00%</u>	<u>\$ 2,101,870</u>

Changes in expenditures were the results of varying factors. Current expense primarily increased due to the normal increase in salaries and other expenses.

General Fund Budgeting Highlights

The School District's budget is prepared in accordance with New Jersey Law, and is based on accounting for certain transactions on a cash basis of receipts, disbursements and encumbrances. The most significant fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. There were no significant budget adjustments during the year.

EWING TOWNSHIP BOARD OF EDUCATION

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

Capital Assets

At the end of the fiscal year 2021, the School District had \$23,596,693 invested in land, buildings and improvements, furniture, fixtures and equipment net of depreciation. Table 4 shows fiscal 2021 balances compared to 2020.

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

	Governmental Activities		Business-Type Activities		Total School District	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
Capital Assets, Not Being Depreciated						
Land	\$ 688,921	\$ 688,921			\$ 688,921	\$ 688,921
Construction in Progress	30,317,370	20,691,754			30,317,370	20,691,754
Total Capital Assets, Not Being Depreciated	31,006,291	21,380,675	-	-	31,006,291	21,380,675
Capital Assets, Being Depreciated						
Building and Improvements	17,064,931	16,267,670			17,064,931	16,267,670
Land Improvements	1,216,550	1,361,360			1,216,550	1,361,360
Furniture, Fixtures and Equipment	3,390,292	3,523,495	\$ 124,406	\$ 140,154	3,514,698	3,663,649
Total Capital Assets, Being Depreciated, Net of Depreciation	21,671,773	21,152,525	124,406	140,154	21,796,179	21,292,679
Total Capital Assets Net of Depreciation	\$ 52,678,064	\$ 42,533,200	\$ 124,406	\$ 140,154	\$ 52,802,469	\$ 42,673,354

Refer to Notes to Financial Statements (Note 6) for more detailed information.

Overall capital assets (net) increased from fiscal year 2020 to fiscal year 2021. The increase in capital assets is primarily due to capital asset additions in excess of annual depreciation.

Debt Administration

At the end of the fiscal year 2021 and 2020, the School District's governmental activities had outstanding long term liabilities as follows:

Table 5 – Debt Administration

	June 30,	
	2021	2020
Capital Leases	\$ 2,194,700	\$ 1,999,412
Compensated Absences	4,023,580	3,592,122
Net Pension Liability	16,505,250	17,601,461
Serial Bonds	57,198,000	59,298,000
Premium on Bonds	824,606	870,417
Totals	\$ 80,746,136	\$ 83,361,412

Refer to Notes to Financial Statements (Note 7) for more detailed information.

EWING TOWNSHIP BOARD OF EDUCATION

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

For the Future

Presently, the Ewing Township School District is in good financial condition. This is confirmed by a steady bond rating by Standard & Poor's of the District's outstanding bonds. This District is proud of the community support of its public schools. In October of 2018, the Board held a public referendum vote to raise \$59,298,000 for much needed facilities projects. The vote was successful by a margin of almost two to one.

The Ewing Township School District, in concert with many New Jersey Public School Districts continues to face a difficult fiscal environment when looking into the future, with the major sources of revenue being State Aid and Local Property Taxes. The State imposed 2% tax levy cap has put most New Jersey school districts in a box. That said, the last two budget years have seen modest increases in State Aid funding that is reportedly expected to continue at least in the short term. As a result of these restrictive fiscal constraints the District has been creative in its efforts to reduce expenditures over the years. Successful shared services initiatives, cooperative purchasing groups, and green initiatives have been invaluable to the continued financial management of the District. That said the budget process continues to be tighter and more challenging with each passing year.

In doing, the Ewing Township School District has committed itself to financial excellence for many years. The District's reputation in financial planning, budgeting, and internal controls is sound and well regarded. The District plans to continue its sound fiscal management practices to meet the challenges of an even changing and uncertain future.

The Township of Ewing is currently still involved in a major re-development projects which is expected to bring a modest number of students as well as provide an increase to the tax base. Overall, this is anticipated to have a positive effect on the financial position of the district. Though the increase in students is anticipated to be offset by identified enrollment declines, the district is taking a proactive approach to management of this issue and has engaged a demographer to annually review the birth rates in the district as well as to analyze the proposed developments as they grow and change. In addition, the Township of Ewing has also added some financial support to the district in the form of shared PILOT (Payment In Lieu of Taxes) funds. Although no formal agreement exists, the Town Leadership has publically committed a portion of these PILOT funds to the school district going forward.

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. Questions regarding this report or if additional information is needed, kindly contact Dennis J. Nettleton, School Business Administrator/Board Secretary, at the Ewing Township School District, 2099 Pennington Road, Ewing Township, NJ 08618.

Respectfully submitted,



Michael Nitti
Superintendent of Schools



Dennis J. Nettleton, CPA, RSBA, SFO
School Business Administrator/Board Secretary

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF EWING SCHOOL DISTRICT
Statement of Net Position
June 30, 2021

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 11,695,185.99	\$ 877,611.24	\$ 12,572,797.23
Receivables, net	3,996,060.95	202,491.86	4,198,552.81
Restricted Cash and Cash Equivalents	32,588,663.64		32,588,663.64
Inventory		51,554.56	51,554.56
Capital Assets, net (Note 6)	<u>52,678,063.78</u>	<u>124,405.69</u>	<u>52,802,469.47</u>
Total Assets	<u>100,957,974.36</u>	<u>1,256,063.35</u>	<u>102,214,037.71</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	<u>3,888,788.00</u>	<u>-</u>	<u>3,888,788.00</u>
LIABILITIES:			
Accounts Payable:			
Related to Pensions	1,226,981.00		1,226,981.00
Other	3,310,920.42	2,912.78	3,313,833.20
Internal Balances	(1,224,931.19)	1,224,931.19	
Payable to Other Governments	100,218.65		100,218.65
Accrued Interest	932,579.36		932,579.36
Unearned Revenue	435,961.40	27,051.37	463,012.77
Noncurrent Liabilities (Note 7):			
Due within One Year	3,798,392.50	11,223.40	3,809,615.90
Due beyond One Year	<u>76,947,743.68</u>	<u>44,893.60</u>	<u>76,992,637.28</u>
Total Liabilities	<u>85,527,865.82</u>	<u>1,311,012.34</u>	<u>86,838,878.16</u>
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions (Note 9)	<u>7,021,266.00</u>	<u>-</u>	<u>7,021,266.00</u>
NET POSITION:			
Net Investment in Capital Assets	20,970,604.13	124,405.69	21,095,009.82
Restricted for:			
Capital Projects	6,773,755.20		6,773,755.20
Unemployment Compensation	28,946.71		28,946.71
Scholarships	5,671.39		5,671.39
Student Activities	141,185.86		141,185.86
Other Purposes	6,448,478.91		6,448,478.91
Unrestricted (Deficit)	<u>(22,071,011.66)</u>	<u>(179,354.68)</u>	<u>(22,250,366.34)</u>
Total Net Position	<u>\$ 12,297,630.54</u>	<u>\$ (54,948.99)</u>	<u>\$ 12,242,681.55</u>

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

TOWNSHIP OF EWING SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2021

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 19,874,923.87	\$ 161,422.76			\$ (19,713,501.11)		\$ (19,713,501.11)
Special Education	9,094,956.81	73,077.90	\$ 1,360,568.80		(7,661,310.11)		(7,661,310.11)
Other Special Instruction	1,410,163.54				(1,410,163.54)		(1,410,163.54)
Other Instruction	887,876.77				(887,876.77)		(887,876.77)
Tuition	5,451,482.28		956,416.05		(4,495,066.23)		(4,495,066.23)
Support Services:							
Student and Instruction Related Services	7,759,367.78		652,558.66		(7,106,809.12)		(7,106,809.12)
School Administrative Services	2,705,460.10				(2,705,460.10)		(2,705,460.10)
General and Business Administrative Services	1,867,484.09				(1,867,484.09)		(1,867,484.09)
Plant Operations and Maintenance	6,198,241.74				(6,198,241.74)		(6,198,241.74)
Pupil Transportation	3,699,938.01				(3,699,938.01)		(3,699,938.01)
Unallocated Benefits	33,604,105.35		20,522,399.00		(13,081,706.35)		(13,081,706.35)
Reimbursed TPAF and Social Security	2,203,581.42		2,203,581.42				
Transfer to Charter Schools	897,495.50				(897,495.50)		(897,495.50)
Interest on Long Term Debt	1,963,476.50		634,270.26		(1,329,206.24)		(1,329,206.24)
Total Governmental Activities	97,618,553.76	234,500.66	26,329,794.19	-	(71,054,258.91)	-	(71,054,258.91)
Business-Type Activities:							
Food Service	1,097,860.95	169,972.33	527,632.11			\$ (400,256.51)	(400,256.51)
Childcare Program	213,695.49	55,017.92				(158,677.57)	(158,677.57)
Total Business-Type Activities	1,311,556.44	224,990.25	527,632.11	-	-	(558,934.08)	(558,934.08)
Total Government	\$ 98,930,110.20	\$ 459,490.91	\$ 26,857,426.30	-	(71,054,258.91)	(558,934.08)	(71,613,192.99)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					59,226,666.00		59,226,666.00
Taxes Levied for Debt Service					2,856,723.00		2,856,723.00
Federal and State Aid Not Restricted					14,457,347.83		14,457,347.83
Federal and State Aid Restricted					651,975.74		651,975.74
Miscellaneous Income					892,969.88	5,757.60	898,727.48
Total General Revenues					78,085,682.45	5,757.60	78,091,440.05
Change in Net Position					7,031,423.54	(553,176.48)	6,478,247.06
Net Position -- July 1					5,049,409.62	498,227.49	5,547,637.11
Prior Period Adjustment					216,797.38		216,797.38
Net Position -- July 1 (Restated)					5,266,207.00	498,227.49	5,764,434.49
Net Position -- June 30					\$ 12,297,630.54	\$ (54,948.99)	\$ 12,242,681.55

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF EWING SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 11,695,185.99	\$ 620,277.78	\$ 31,968,385.73	\$ 0.13	\$ 44,283,849.63
Receivables, net:					
Interfunds Receivable:					
Enterprise Funds	1,224,931.19				1,224,931.19
Capital Projects Fund	524,418.93				524,418.93
Receivables from Other Governments:					
Federal		537,106.27			537,106.27
State of NJ -- Extraordinary Aid	811,644.00				811,644.00
State of NJ -- Nonpublic Transportation Aid	68,440.00				68,440.00
State of NJ -- Homeless Aid	38,521.00				38,521.00
Local School Taxes	2,473,568.00				2,473,568.00
Other Receivables	33,392.81	33,388.87			66,781.68
Total Assets	\$ 16,870,101.92	\$ 1,190,772.92	\$ 31,968,385.73	\$ 0.13	\$ 50,029,260.70
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 895,432.69	\$ 606,568.27	\$ 1,808,919.46		\$ 3,310,920.42
Interfunds Payable:					
General Fund			524,418.93		524,418.93
Payable to Federal Government		285.00			285.00
Payable to State Government	98,832.65	1,101.00			99,933.65
Unearned Revenue		435,961.40			435,961.40
Total Liabilities	994,265.34	1,043,915.67	2,333,338.39	-	4,371,519.40
Fund Balances:					
Restricted:					
Capital Reserve	5,648,554.48				5,648,554.48
Emergency Reserve	715,548.52				715,548.52
Maintenance Reserve	2,027,894.13				2,027,894.13
Maintenance Reserve - Designated for Subsequent Year's Expenditures	596,869.00				596,869.00
Capital Projects			29,635,047.34		29,635,047.34
Debt Service				\$ 0.13	0.13
Excess Surplus	1,637,443.95				1,637,443.95
Excess Surplus - Designated for Subsequent Year's Expenditures	1,470,723.31				1,470,723.31
Unemployment Compensation	28,946.71				28,946.71
Scholarships		5,671.39			5,671.39
Student Activities		141,185.86			141,185.86
Assigned:					
Other Purposes	1,250,521.26				1,250,521.26
Subsequent Year's Expenditures	438,836.69				438,836.69
Unassigned	2,060,498.53				2,060,498.53
Total Fund Balances	15,875,836.58	146,857.25	29,635,047.34	0.13	45,657,741.30
Total Liabilities and Fund Balances	\$ 16,870,101.92	\$ 1,190,772.92	\$ 31,968,385.73	\$ 0.13	
Amounts reported for governmental activities in the statement of Net Position (A-1) are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$86,951,893.35 and the accumulated depreciation is \$34,273,829.57.					52,678,063.78
Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and are not reported as liabilities in the funds.					(80,746,136.18)
Interest on long term debt is accrued on the Statement of Net Position regardless when due.					(932,579.36)
Accounts Payable related to the April 1, 2022 Required PERS pension contribution that is not to be liquidated with current financial resources.					(1,226,981.00)
Deferred Outflows of Resources - Related to Pensions					3,888,788.00
Deferred Inflows of Resources - Related to Pensions					(7,021,266.00)
Net Position of governmental activities					\$ 12,297,630.54

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

TOWNSHIP OF EWING 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 Tax Levy	\$ 59,226,666.00			\$ 2,856,723.00	\$ 62,083,389.00
Other Local Revenue	1,014,971.58	\$ 126,671.85			1,141,643.43
Intermediate Sources	112,498.96				112,498.96
State Sources	26,879,227.42	42,591.82		1,286,246.00	28,208,065.24
Federal Sources	249,923.83	2,800,279.84			3,050,203.67
Total Revenues	87,483,287.79	2,969,543.51	-	4,142,969.00	94,595,800.30
EXPENDITURES:					
Regular Instruction	18,797,681.40		\$ 475,040.76		19,272,722.16
Special Education Instruction	7,182,889.00	1,360,568.80	181,520.53		8,724,978.33
Other Special Instruction	1,374,417.69				1,374,417.69
Other Instruction	865,370.22				865,370.22
Tuition	4,495,066.23	956,416.05			5,451,482.28
Support Services and Undistributed Costs:					
Student and Instruction Related Services	6,866,369.07	693,611.97			7,559,981.04
School Administrative Services	2,636,880.13				2,636,880.13
Other Administrative Services	2,407,692.02				2,407,692.02
Plant Operations and Maintenance	5,406,010.95		851,767.50		6,257,778.45
Pupil Transportation	3,606,149.29				3,606,149.29
Unallocated Benefits	13,340,570.35				13,340,570.35
Reimbursed TPAF Pension and Social Security	12,671,803.42				12,671,803.42
Charter School Tuition	897,495.50				897,495.50
Debt Service:					
Principal				2,100,000.00	2,100,000.00
Interest				2,042,971.00	2,042,971.00
Capital Outlay	102,246.46		11,408,314.75		11,510,561.21
Total Expenditures	80,650,641.73	3,010,596.82	12,916,643.54	4,142,971.00	100,720,853.09
Excess (Deficiency) of Revenues over Expenditures	6,832,646.06	(41,053.31)	(12,916,643.54)	(2.00)	(6,125,052.79)
OTHER FINANCING SOURCES (USES):					
Capital Reserve Transferred to Capital Projects Fund	(1,025,000.00)		1,025,000.00		
Lease Proceeds			1,200,000.00		1,200,000.00
Total Other Financing Sources and Uses	(1,025,000.00)	-	2,225,000.00	-	1,200,000.00
Net Change in Fund Balances	5,807,646.06	(41,053.31)	(10,691,643.54)	(2.00)	(4,925,052.79)
Fund Balance -- July 1	10,039,303.70	-	40,326,690.88	2.13	50,365,996.71
Prior Period Adjustments	28,886.82	187,910.56	-	-	216,797.38
Fund Balance -- July 1, Restated	10,068,190.52	187,910.56	40,326,690.88	2.13	50,582,794.09
Fund Balance -- June 30	\$ 15,875,836.58	\$ 146,857.25	\$ 29,635,047.34	\$ 0.13	\$ 45,657,741.30

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

TOWNSHIP OF EWING 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 Change in Fund Balances - Governmental Funds		\$ (4,925,052.79)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$ (1,365,697.39)	
Capital Outlays	<u>11,510,561.21</u>	
		10,144,863.82
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		2,100,000.00
<p>Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the difference in the treatment of the long-term debt related items.</p>		
Amortization of Bond Sale Premiums		45,811.44
Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		1,004,711.96
Proceeds from capital leases is a revenue in the governmental funds, but increases the long-term liabilities in the statement of Net Position and is not reported in the statement of activities.		(1,200,000.00)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The increase in accrued interest is a reduction in the reconciliation. (-)		33,683.06
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(431,457.95)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		<u>258,864.00</u>
Change in Net Position of Governmental Activities		<u>\$ 7,031,423.54</u>

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

TOWNSHIP OF EWING SCHOOL DISTRICT
 Proprietary Funds
 Business Type Activities - Enterprise Funds
 Combining Statement of Net Position
 June 30, 2021

	<u>Food Service</u>	<u>Extended Day Program</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 726,164.66	\$ 151,446.58	\$ 877,611.24
Accounts Receivable:			
State	4,309.50		4,309.50
Federal	166,372.91		166,372.91
Other	7,072.93	24,736.52	31,809.45
Inventories	51,554.56		51,554.56
Total Current Assets	<u>955,474.56</u>	<u>176,183.10</u>	<u>1,131,657.66</u>
Noncurrent Assets:			
Capital Assets:			
Furniture, Fixtures and Equipment	820,771.04		820,771.04
Less Accumulated Depreciation	(696,365.35)		(696,365.35)
Total Noncurrent Assets	<u>124,405.69</u>	<u>-</u>	<u>124,405.69</u>
Total Assets	<u>1,079,880.25</u>	<u>176,183.10</u>	<u>1,256,063.35</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	2,912.78		2,912.78
Compensated Absences Payable	11,223.40		11,223.40
Interfund Accounts Payable:			
Due General Fund	1,224,931.19		1,224,931.19
Unearned Revenue	27,051.37		27,051.37
Total Current Liabilities	<u>1,266,118.74</u>	<u>-</u>	<u>1,266,118.74</u>
Noncurrent Liabilities:			
Compensated Absences Payable	44,893.60		44,893.60
Total Liabilities	<u>1,311,012.34</u>	<u>-</u>	<u>1,311,012.34</u>
NET POSITION:			
Net Investment in Capital Assets	124,405.69		124,405.69
Unrestricted (Deficit)	(355,537.78)	176,183.10	(179,354.68)
Total Net Position (Deficit)	<u>\$ (231,132.09)</u>	<u>\$ 176,183.10</u>	<u>\$ (54,948.99)</u>

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

TOWNSHIP OF EWING SCHOOL DISTRICT
 Proprietary Funds
 Business Type Activities - Enterprise Funds
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Extended Day Program</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs:			
School Lunch Program	\$ 125,612.11		\$ 125,612.11
School Breakfast Program	43,348.72		43,348.72
Miscellaneous	962.43		962.43
Extended Day Program Fees		\$ 55,017.92	55,017.92
Special Functions	49.07		49.07
	<u>169,972.33</u>	<u>55,017.92</u>	<u>224,990.25</u>
Total Operating Revenues			
OPERATING EXPENSES:			
Salaries	558,721.40	141,357.01	700,078.41
Employee Benefits	272,019.48	40,013.18	312,032.66
General Supplies	26,040.77	1,189.30	27,230.07
Depreciation	21,646.43		21,646.43
Purchased Property Services		25,000.00	25,000.00
Cost of Sales - Reimbursable Programs	195,376.19		195,376.19
Miscellaneous	24,056.68	6,136.00	30,192.68
	<u>1,097,860.95</u>	<u>213,695.49</u>	<u>1,311,556.44</u>
Total Operating Expenses			
Operating Income / (Loss)	<u>(927,888.62)</u>	<u>(158,677.57)</u>	<u>(1,086,566.19)</u>
NONOPERATING REVENUES (EXPENSES):			
State Sources:			
State School Lunch Program	17,015.58		17,015.58
Federal Sources:			
National School Lunch Program	262,843.20		262,843.20
National School Breakfast Program	95,286.12		95,286.12
P-EBT Administrative Costs	3,063.00		3,063.00
Emergency Operating Costs	83,901.75		83,901.75
Food Distribution Program	65,522.46		65,522.46
Interest Revenue	5,757.60		5,757.60
	<u>533,389.71</u>	<u>-</u>	<u>533,389.71</u>
Total Nonoperating Revenues (Expenses)			
Change in Net Position	(394,498.91)	(158,677.57)	(553,176.48)
Net Position -- Beginning	163,366.82	334,860.67	498,227.49
Net Position (Deficit) -- Ending	<u>\$ (231,132.09)</u>	<u>\$ 176,183.10</u>	<u>\$ (54,948.99)</u>

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

TOWNSHIP OF EWING SCHOOL DISTRICT
 Proprietary Funds
 Business Type Activities - Enterprise Funds
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Extended Day Program</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 168,488.89	\$ 36,360.10	\$ 204,848.99
Payments to Employees	(550,497.71)	(141,357.01)	(691,854.72)
Payments for Employee Benefits	(272,019.48)	(40,013.18)	(312,032.66)
Payments for Supplies and Services	(232,973.44)	(32,325.30)	(265,298.74)
Net Cash Provided by (used for) Operating Activities	<u>(887,001.74)</u>	<u>(177,335.39)</u>	<u>(1,064,337.13)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
State Sources	12,983.28		12,983.28
Federal Sources	373,037.62		373,037.62
Operating Subsidies and Transfers to Other Funds	468,709.06		468,709.06
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>854,729.96</u>	<u>-</u>	<u>854,729.96</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	<u>(5,897.64)</u>	<u>-</u>	<u>(5,897.64)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Revenue	<u>5,757.60</u>	<u>-</u>	<u>5,757.60</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(32,411.82)	(177,335.39)	(209,747.21)
Cash and Cash Equivalents -- July 1	<u>758,576.48</u>	<u>328,781.97</u>	<u>1,087,358.45</u>
Cash and Cash Equivalents -- June 30	<u>\$ 726,164.66</u>	<u>\$ 151,446.58</u>	<u>\$ 877,611.24</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	<u>\$ (927,888.62)</u>	<u>\$ (158,677.57)</u>	<u>\$ (1,086,566.19)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	21,646.43		21,646.43
(Increase) Decrease in Accounts Receivable	911.73	(18,657.82)	(17,746.09)
(Increase) Decrease in Inventories	9,587.42		9,587.42
Increase (Decrease) in Accounts Payable	2,912.78		2,912.78
Increase (Decrease) in Unearned Revenue	(2,395.17)		(2,395.17)
Increase (Decrease) in Accrued Salaries Benefits	8,223.69		8,223.69
Total Adjustments	<u>40,886.88</u>	<u>(18,657.82)</u>	<u>22,229.06</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (887,001.74)</u>	<u>\$ (177,335.39)</u>	<u>\$ (1,064,337.13)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Food Distribution Program	<u>\$ 65,522.46</u>	<u>-</u>	<u>\$ 65,522.46</u>

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

TOWNSHIP OF EWING SCHOOL DISTRICT
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Ewing School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Mercer, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Kindergarten through Twelfth at its five schools. The School District has an approximate enrollment at June 30, 2021 of 3,801.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

Component Units

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Component Units (Cont'd)**

Based upon the application of these criteria, the School District has determined that the following organization is considered a component unit:

Ewing Township Public Education Foundation Inc.
PO Box 7033
Ewing, New Jersey 08628

Complete financial statements of the individual component unit can be obtained from their administrative offices.

This component unit is not significant and has not been included in the District's financial statements.

Government-wide and Fund Financial Statements

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**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 statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Mercer County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. 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 and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School District. It 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 classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds (cont'd):

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Enterprise Funds

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Extended Day Program Fund - This fund accounts for the financial activity related to providing after school care for the School District.

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

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 one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on exhibit C-1, exhibit C-2, and exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances (Cont'd)**

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on 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.

Cash, Cash Equivalents and Investments

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

New Jersey school districts are limited as to the types of investments and types of financial institutions in which they may invest. N.J.S.A. 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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Inventories

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2021. The School District had no prepaid expenses for the fiscal year ended June 30, 2021.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Furniture, Fixtures and Equipment	5 - 20 Years	5 - 12 Years
Buildings and Improvements	10 - 50 Years	N/A
Land Improvements	10 - 20 Years	N/A

The School District does not possess any infrastructure assets.

Deferred Outflows of Resources and Deferred Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report pensions as deferred outflows of resources and deferred inflows of resources.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Tuition Payable**

Tuition charges for the fiscal years ended June 30, 2021 and 2020 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2021, the amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

Compensated Absences

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

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Bond Discounts / Premiums**

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Net Position

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

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

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

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

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

Fund Balance

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

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

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

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

Interfund Activity

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

Accounting 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 accompanying notes. Actual results may differ from those estimates.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The School District implemented the following GASB Statement for the fiscal year ended June 30, 2021:

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

Because of the implementation of Statement No. 84, the School District has determined that certain activities that were previously reported in the fiduciary fund now meet the criteria for reporting as governmental activities. As a result, net position and certain fund balances reported as of July 1, 2020 have been restated (note 21).

Recently Issued Accounting Pronouncements

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending after June 30, 2021:

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2022. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

Note 2: CASH AND CASH EQUIVALENTS (CONT'D)

As of June 30, 2021, the School District's bank balances of \$49,364,486.10 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 48,557,785.16
Uninsured and uncollateralized	<u>806,700.94</u>
	<u>\$ 49,364,486.10</u>

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School 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 School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2020	\$ 3,868,744.28
Increased by:	
Transfer per June 22, 2020 Resolution	\$ 2,800,000.00
Interest Allocated to Capital Reserve	<u>4,810.20</u>
	<u>2,804,810.20</u>
	6,673,554.48
Decreased by:	
Withdrawals	<u>(1,025,000.00)</u>
Ending Balance, June 30, 2021	<u>\$ 5,648,554.48</u>

The June 30, 2021 LRFP balance of local support costs of uncompleted projects at June 30, 2021 is \$28,264,034.13. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2021 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Note 4: ACCOUNTS RECEIVABLE (CONT'D)

Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>		<u>Total</u>	
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Extended Day Program</u>		<u>Total Business-Type Activities</u>
Federal Awards		\$ 537,106.27	\$ 537,106.27	\$ 166,372.91		\$ 166,372.91	\$ 703,479.18
State Awards	\$ 918,605.00		918,605.00	4,309.50		4,309.50	922,914.50
Local School Taxes	2,473,568.00		2,473,568.00				2,473,568.00
Other	33,392.81	33,388.87	66,781.68	7,072.93	\$ 24,736.52	31,809.45	98,591.13
	<u>\$ 3,425,565.81</u>	<u>\$ 570,495.14</u>	<u>\$ 3,996,060.95</u>	<u>\$ 177,755.34</u>	<u>\$ 24,736.52</u>	<u>\$ 202,491.86</u>	<u>\$ 4,198,552.81</u>

Note 5: INVENTORY

Inventory recorded at June 30, 2021 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 39,559.35
Supplies	<u>11,995.21</u>
	<u>\$ 51,554.56</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2021</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 688,921.00			\$ 688,921.00
Construction in Progress	20,691,754.42	\$ 10,893,615.37	\$ (1,268,000.00)	30,317,369.79
Total Capital Assets, not being Depreciated	21,380,675.42	10,893,615.37	(1,268,000.00)	31,006,290.79
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	14,018,721.68	505,193.64		14,523,915.32
Buildings and Improvements	35,468,641.15	96,552.20	1,268,000.00	36,833,193.35
Land Improvements	4,573,293.89	15,200.00		4,588,493.89
Total Capital Assets, being Depreciated	54,060,656.72	616,945.84	1,268,000.00	55,945,602.56
Total Capital Assets, Cost	75,441,332.14	11,510,561.21	-	86,951,893.35
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(10,495,226.87)	(638,396.15)		(11,133,623.02)
Buildings and Improvements	(19,200,971.60)	(567,290.89)		(19,768,262.49)
Land Improvements	(3,211,933.71)	(160,010.35)		(3,371,944.06)
Total Accumulated Depreciation	(32,908,132.18)	(1,365,697.39)	-	(34,273,829.57)
Total Capital Assets, being Depreciated, Net	21,152,524.54	(748,751.55)	1,268,000.00	21,671,772.99
Governmental Activities Capital Assets, Net	\$ 42,533,199.96	\$ 10,144,863.82	-	\$ 52,678,063.78
	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2021</u>
Business-Type Activities:				
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	\$ 814,873.40	\$ 5,897.64		\$ 820,771.04
Less Accumulated Depreciation	(674,718.92)	(21,646.43)		(696,365.35)
Business-Type Activities Capital Assets, Net	\$ 140,154.48	\$ (15,748.79)	-	\$ 124,405.69

Depreciation expense was charged to functions / programs of the School District as follows:

Governmental Activities:	
Instruction - Regular	\$ 506,142.24
Instruction - Special	235,522.39
Instruction - Other Special	35,745.85
Instruction - Other	22,506.55
Student and Instruction Related Services	199,386.74
School Administrative Services	68,579.97
General and Business Administrative Services	62,619.25
Plant Operations and Maintenance	141,405.68
Pupil Transportation	93,788.72
Total Depreciation Expense - Governmental Activities	<u>\$ 1,365,697.39</u>
Business-Type Activities:	
Food Service	<u>\$ 21,646.43</u>

Note 7: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 59,298,000.00	-	\$ (2,100,000.00)	\$ 57,198,000.00	\$ 2,163,000.00
Other Liabilities:					
Net Pension Liability	17,601,461.00	\$ 10,062,297.00	(11,158,508.00)	16,505,250.00	
Obligations under Capital Lease	1,999,412.25	1,200,000.00	(1,004,711.96)	2,194,700.29	830,676.52
Compensated Absences	3,592,121.96	1,149,882.34	(718,424.39)	4,023,579.91	804,715.98
Total Other Liabilities	23,192,995.21	12,412,179.34	(12,881,644.35)	22,723,530.20	1,635,392.50
Other Adjustments to Debt:					
Unamortized Premium on Bonds	870,417.42	-	(45,811.44)	824,605.98	-
Governmental Activities Long-Term Liabilities	<u>\$ 83,361,412.63</u>	<u>\$ 12,412,179.34</u>	<u>\$ (15,027,455.79)</u>	<u>\$ 80,746,136.18</u>	<u>\$ 3,798,392.50</u>

The bonds payable are generally liquidated by the debt service fund, while obligations under capital lease, compensated absences, net pension liability, are liquidated by the general fund.

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations for business-type activities:

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>	<u>Due within One Year</u>
Business-Type Activities:					
Other Liabilities:					
Compensated Absences Payable	\$ 47,893.31	\$ 17,802.35	\$ (9,578.66)	\$ 56,117.00	\$ 11,223.40

Compensated absences are liquidated by the food service enterprise fund.

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

On November 27, 2018, the School District issued \$59,298,000.00 of School Bonds at interest rates varying from 3.00% to 4.00% to fund the cost of various renovations throughout the school district. The final maturity date of these bonds in July 15, 2039. The bonds will be paid from state aid and property taxes.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 2,163,000.00	\$ 1,979,026.26	\$ 4,142,026.26
2023	2,230,000.00	1,913,131.26	4,143,131.26
2024	2,300,000.00	1,845,181.26	4,145,181.26
2025	2,365,000.00	1,775,206.26	4,140,206.26
2026	2,440,000.00	1,703,131.26	4,143,131.26
2027-2031	13,500,000.00	7,349,256.30	20,849,256.30
2032-2036	16,410,000.00	4,838,165.63	21,248,165.63
2037-2040	15,790,000.00	1,296,600.00	17,086,600.00
	<u>\$ 57,198,000.00</u>	<u>\$ 22,699,698.23</u>	<u>\$ 79,897,698.23</u>

Note 7: LONG-TERM LIABILITIES (CONT'D)

Bonds Authorized but not Issued - As of June 30, 2021, the School District had no authorizations to issue additional bonded debt.

Obligations under Capital Lease - The School District is leasing books, vehicles, instructional equipment and technology equipment with a total cost of \$5,200,000.00 under capital leases. All capital leases are for terms of five years. Capital leases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2021.

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 830,676.52	\$ 32,575.25	\$ 863,251.77
2023	658,013.10	16,381.48	674,394.58
2024	457,007.98	6,454.82	463,462.80
2025	249,002.69	1,659.21	250,661.90
	<u>\$ 2,194,700.29</u>	<u>\$ 57,070.76</u>	<u>\$ 2,251,771.05</u>

Compensated Absences - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 14 for a description of the School District's policy.

Net Pension Liability - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Postemployment Benefits - For details on other postemployment benefits, refer to note 10. The School District's contributions to the postemployment benefits plan are budgeted and paid from the general fund.

Note 8: OPERATING LEASES

At June 30, 2021, the School District had operating lease agreements in effect for copy machines, software and mail machines. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2022	<u>\$ 25,333.17</u>

Rental payments under operating leases for the fiscal year ended June 30, 2021 were \$94,176.96.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Prudential Financial for the Division.

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

Tier Definition

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 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.

Public Employees' Retirement System - 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, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

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 service credit before age 62 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.

Note 9: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2020. The State's contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2021 was 19.90% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2021 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2021 was \$6,040,165.00, and was paid by April 1, 2021. School District employee contributions to the Plan during the fiscal year ended June 30, 2021 were \$2,298,921.29.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2020. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2021 was 16.46% of the School 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.

Based on the most recent PERS measurement date of June 30, 2020, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2021 was \$1,226,981.00, and was paid by April 1, 2021. School District employee contributions to the Plan during the fiscal year ended June 30, 2021 were \$566,695.97.

Note 9: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial no later than the fifth business day after the date on which the employee is paid for that pay period. For the fiscal year ended June 30, 2021, employee contributions totaled \$39,380.77, and the School District recognized pension expense, which equaled the required contributions, of \$18,037.44. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Teachers' Pension and Annuity Fund**

Pension Liability - At June 30, 2021, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$	-
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District		175,521,907.00
		<u>\$ 175,521,907.00</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. For the June 30, 2020 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2020 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was .2665529458%, which was a decrease of .0030284978% from its proportion measured as of June 30, 2019.

Pension Expense - For the fiscal year ended June 30, 2021, the School District recognized \$10,914,701.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plan's June 30, 2020 measurement date.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System**

Pension Liability - At June 30, 2021, the School District reported a liability of \$16,505,250.00 for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2020 measurement date, the School District's proportion was .1012133500%, which was an increase of .0035277645% from its proportion measured as of June 30, 2019.

Pension Expense - For the fiscal year ended June 30, 2021, the School District recognized pension expense of \$848,359.00, in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2020 measurement date.

Deferred Outflows and Inflows of Resources - At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 300,533.00	\$ 58,370.00
Changes of Assumptions	535,449.00	6,910,905.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	564,163.00	
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	1,261,662.00	51,991.00
School District Contributions Subsequent to the Measurement Date	<u>1,226,981.00</u>	
	<u>\$ 3,888,788.00</u>	<u>\$ 7,021,266.00</u>

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - Deferred outflows of resources in the amount of \$1,226,981.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	
<u>Ending June 30,</u>	
2022	\$ (1,701,874.00)
2023	(1,562,992.00)
2024	(1,319,010.00)
2025	294,166.00
2026	<u>(69,749.00)</u>
	<u>\$ (4,359,459.00)</u>

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2020 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2019. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases: ⁽¹⁾		
Through 2026	1.55% - 4.45%	2.00% - 6.00%
Thereafter	2.75% - 5.65%	3.00% - 7.00%
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2015 - June 30, 2018	July 1, 2014 - June 30, 2018

⁽¹⁾ based on years of service

For TPAF, 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.

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

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

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of the June 30, 2020 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

Discount Rate -

Teachers' Pension and Annuity Fund - 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 the June 30, 2020 measurement date 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 would be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. 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.

Public Employees' Retirement System - The discount rate used to measure the total pension liability was 7.00% 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 the June 30, 2020 measurement date 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 would be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Note 9: PENSION PLANS (CONT'D)**Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2020, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2020 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 5.40% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease <u>(4.40%)</u>	Current Discount Rate <u>(5.40%)</u>	1% Increase <u>(6.40%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>206,171,036.00</u>	<u>175,521,907.00</u>	<u>150,072,950.00</u>
	<u>\$ 206,171,036.00</u>	<u>\$ 175,521,907.00</u>	<u>\$ 150,072,950.00</u>

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2020, the Plan's measurement date, calculated using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 20,940,738.00</u>	<u>\$ 16,505,250.00</u>	<u>\$ 12,981,534.00</u>

Pension Plan Fiduciary Net Position

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

Plan Description and Benefits Provided - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75 - *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

Employees Covered by Benefit Terms - At June 30, 2020, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	149,304
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<hr/>
	366,108
	<hr/>

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2021 was \$194,523,099.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. For the June 30, 2020 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was .2868650734%, which was an increase of .0040181282% from its proportion measured as of June 30, 2019.

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2019 used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases -

	<u>TPAF/ABP</u> *	<u>PERS</u> *	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25% *
Thereafter	1.55 - 4.45%	3.00 - 7.00%	Applied to all Future Years

* based on service years

Inflation Rate - 2.50%.

Mortality Rates - Current and future retiree healthy mortality rates were based on the PUB-2010 Healthy classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

Disabled mortality was based on the PUB-2010 headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

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

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

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

Changes in the Total Non-Employer OPEB Liability

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the School District:

Balance at June 30, 2020		\$ 118,029,431.00
Changes for the Year:		
Service Cost	\$ 5,201,597.00	
Interest Cost	4,256,113.00	
Difference between Expected and Actual Experience	34,787,115.00	
Changes in Assumptions	35,532,686.00	
Member Contributions	102,644.00	
Gross Benefit Payments	<u>(3,386,487.00)</u>	
Net Changes		<u>76,493,668.00</u>
Balance at June 30, 2021		<u>\$ 194,523,099.00</u>

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

Differences between expected and actual experience reflect an increase in liability from June 30, 2019 to June 30, 2020 due to changes in the census, claims, and premiums experience.

Changes in assumptions reflect an increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2020, associated with the School District, using a discount rate of 2.21%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 234,507,636.00</u>	<u>\$ 194,523,099.00</u>	<u>\$ 163,259,042.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2020, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<u>1%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 157,025,605.00</u>	<u>\$ 194,523,099.00</u>	<u>\$ 239,174,280.00</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense - For the fiscal year ended June 30, 2021, the School District recognized \$9,607,698.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2020 measurement date.

Deferred Outflows and Inflows of Resources - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2021, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<u>Deferred</u> <u>Outflows</u> <u>of Resources</u>	<u>Deferred</u> <u>Inflows</u> <u>of Resources</u>
Difference between Expected and Actual Experience	\$ 29,533,674.00	\$ 26,307,546.00
Changes of Assumptions	33,087,738.00	22,196,187.00
Changes in Proportion	<u>2,176,304.00</u>	<u>1,963,738.00</u>
	<u>\$ 64,797,716.00</u>	<u>\$ 50,467,471.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,		
2022	\$	95,133.00
2023		95,133.00
2024		95,133.00
2025		95,133.00
2026		95,133.00
Thereafter		<u>13,854,580.00</u>
		<u>\$ 14,330,245.00</u>

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2021, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$7,821,601.00, \$148,816.00, \$2,497,805.00 and \$4,237.00, respectively.

Note 12: RISK MANAGEMENT

The School 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.

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

Note 12: RISK MANAGEMENT (CONT'D)**New Jersey Unemployment Compensation Insurance (Cont'd)**

The following is a summary of the activity of the School District's unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>School</u> <u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending</u> <u>Balance</u>
2021			\$ 59.89	\$ 30,309.10	\$ 28,946.71
2020		\$ 70,781.21	178.40	45,627.92	59,195.92
2019	\$ 87,094.76	68,712.60	194.83	157,295.68	33,864.23

Joint Insurance Fund - The School District is a member of the Burlington County Municipal Insurance Joint Insurance Fund. The Fund provides its members with the following coverage:

- Property, Inland Marine and Automobile Physical Damage
- Boiler and Machinery
- Crime
- General and Automobile Liability
- Worker's Compensation
- Educator's Legal Liability
- Pollution Legal Liability
- Cyber Liability
- Violent Malicious Acts

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The School District's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report that can be obtained from:

Burlington County Insurance Pool
P.O. Box 489
Marlton, New Jersey 08053

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of many deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans 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.

Note 14: COMPENSATED ABSENCES

The School District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board 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.

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days that may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2021, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$4,023,579.91 and \$56,117.00, respectively.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 1,749,350.12	
Capital Projects		\$ 524,418.93
Proprietary		1,224,931.19
	<u>\$ 1,749,350.12</u>	<u>\$ 1,749,350.12</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2022, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

<u>Transfer Out:</u>	<u>Transfer In:</u> <u>Capital Projects Fund</u>
General Fund	\$ 1,025,000.00

The \$1,025,000.00 transfer from the general fund to the capital projects fund was the local share of a new capital project.

Note 16: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute 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 School District expects such amount, if any, to be immaterial.

Litigation - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 17: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the Federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Note 18: COMMITMENTS

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2021 that are to continue into the subsequent fiscal year(s). These projects, which are related to the capital projects fund, are as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Eplus Technology, Inc.	03/18/19	\$ 381,620.40
Fraytak Veisz Hopkins Duthie, P.C	04/30/18	727,919.45
Grafas Painting Contractors	02/23/21	1,905,577.69
Longo Associates, Inc.	04/16/21	127,103.87
New Road Construction, Inc.	07/29/20	21,900.00
Pennoni Associates, Inc.	10/24/18	140,848.19
Preferred Mechanical	12/05/19	2,263,115.83
QPI Electrical Company, Inc.	02/24/20	551,560.99
Safeway Contracting, Inc.	03/02/21	1,777,197.20
Vanas Construction Company, Inc.	09/04/20	1,238,226.85
VMG Group	04/29/19	907,444.65
		<u>\$ 10,042,515.12</u>

Note 19: FUND BALANCES**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

Note 19: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)****General Fund**

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation. New Jersey school districts are required to restrict 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 \$1,637,443.95. Additionally, \$1,470,723.31 of excess fund balance generated during 2019-2020 has been restricted and designated for utilization in the 2021-2022 budget.

For Capital Reserve Account - As of June 30, 2021, the balance in the capital reserve account is \$5,648,554.48. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2021, the balance in the maintenance reserve account is \$2,624,763.13. Of this amount, \$596,869.00 was designated for utilization in the 2021-2022 budget. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

For Emergency Reserve - As of June 30, 2021, the balance in the emergency reserve is \$715,548.52. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the restricted fund balance is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

For Unemployment Compensation - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 12). As a result, there exists at June 30, 2021 a restricted fund balance from employer contributions in the amount of \$28,946.71 for future unemployment claims.

Special Revenue Fund

For Scholarships - The School District reports fund balance resulting from the receipt of an endowment to be used for scholarships for future teachers. These funds are required to be used as restricted by the donor. The balance of these funds as of June 30, 2021 is \$5,671.39.

For Student Activities - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2021 is \$141,185.86.

Note 19: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)**

Capital Projects Fund - The School District entered into various lease agreements to fund the School District's acquisition of books, vehicles, instructional equipment and technology equipment. In addition, on October 2, 2018, the district authorized a bond referendum for various projects throughout the district totaling \$59,298,000.00. As of June 30, 2021, the restricted fund balance amount was \$29,635,047.34.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As a result, the School District has \$0.13 of debt service fund balance at June 30, 2021.

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2022, \$438,836.69 of general fund balance at June 30, 2021.

Other Purposes - As of June 30, 2021, the School District had \$1,250,521.26 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2021, \$2,060,498.53 of general fund balance was unassigned.

Note 20: TAX ABATEMENTS

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

The Township of Ewing has entered into various property tax abatement agreements with properties having aggregate assessed valuations of \$7,085,700.00. Based on the School District's 2021 certified tax rate of \$1.899, abated taxes totaled \$134,577.44.

Note 21: RESTATEMENT OF PRIOR PERIOD NET POSITION AND FUND BALANCE

For the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. As a result, the following net positions and fund balances as of July 1, 2020 have been restated. The following tables illustrate the restatements:

	Governmental Activities
Beginning Net Position as Previously Reported at July 1, 2020	\$ 5,049,409.62
Prior Period Adjustments:	
Reclassification of Net Position from Fiduciary Fund:	
Unemployment Compensation Trust	\$ 28,886.82
Scholarship Fund	6,162.93
Reclassification of Student Activity Payable to Student Groups Balance from Fiduciary Fund	<u>181,747.63</u>
Total Prior Period Adjustment(s)	<u>216,797.38</u>
Net Position as Restated, July 1, 2020	<u>\$ 5,266,207.00</u>
	General Fund
Beginning Fund Balance as Previously Reported at July 1, 2020	\$ 10,039,303.70
Prior Period Adjustment:	
Reclassification of Unemployment Compensation Trust Net Position from Fiduciary Fund	<u>28,886.82</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 10,068,190.52</u>

Note 21: RESTATEMENT OF PRIOR PERIOD NET POSITION (CONT'D)

The following tables illustrate the restatements (cont'd):

	Special Revenue Fund
Beginning Fund Balance as Previously Reported at July 1, 2020	\$ -
Prior Period Adjustments:	
Reclassification of Scholarship Fund Net Position from Fiduciary Fund	\$ 6,162.93
Reclassification of Student Activity Payable to Student Groups Balance from Fiduciary Fund	<u>181,747.63</u>
Total Prior Period Adjustment(s)	<u>187,910.56</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 187,910.56</u>

Note 22: SUBSEQUENT EVENTS

Capital Lease – On September 24, 2021, the school district entered into a five year equipment lease. The \$1,000,000.00 lease was issued at an interest rate of 0.99% and the final lease payment will be on April 1, 2026.

COVID-19 - 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 the 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 School District’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 59,226,666.00		\$ 59,226,666.00	\$ 59,226,666.00	
Tuition From Other LEAs Within the State	500,000.00		500,000.00	234,500.66	\$ (265,499.34)
Unrestricted Miscellaneous Revenues	207,514.00	\$ 3.00	207,517.00	772,720.01	565,203.01
Interest Earned on Emergency Reserve Funds	1.00	(1.00)		708.34	708.34
Interest Earned on Maintenance Reserve Funds	1.00	(1.00)		2,232.37	2,232.37
Interest Earned on Capital Reserve Funds	1.00	(1.00)		4,810.20	4,810.20
	<u>59,934,183.00</u>	<u>-</u>	<u>59,934,183.00</u>	<u>60,241,637.58</u>	<u>307,454.58</u>
Intermediate Sources:					
Payment in Lieu of Taxes	99,967.00	-	99,967.00	112,498.96	12,531.96
State Sources:					
Transportation Aid	1,023,175.00		1,023,175.00	1,023,175.00	
Extraordinary Aid	425,000.00		425,000.00	811,644.00	386,644.00
Special Education Aid	2,681,096.00		2,681,096.00	2,681,096.00	
Equalization Aid	9,449,953.00		9,449,953.00	8,650,401.00	(799,552.00)
Security Aid	1,024,833.00		1,024,833.00	1,024,833.00	
Additional Non-Public Transportation Aid				68,440.00	68,440.00
Homeless Aid				38,521.00	38,521.00
On-behalf TPAF Pension Contributions (non-budgeted)				7,821,601.00	7,821,601.00
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				148,816.00	148,816.00
On-behalf TPAF Medical Contributions (non-budgeted)				2,497,805.00	2,497,805.00
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				4,237.00	4,237.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				2,199,344.42	2,199,344.42
	<u>14,604,057.00</u>	<u>-</u>	<u>14,604,057.00</u>	<u>26,969,913.42</u>	<u>12,365,856.42</u>
Total - State Sources					
Federal Sources:					
SEMI Medicaid Reimbursement	191,461.00		191,461.00	223,554.63	32,093.63
Medicaid Administrative Claiming Aid				26,369.20	26,369.20
	<u>191,461.00</u>	<u>-</u>	<u>191,461.00</u>	<u>249,923.83</u>	<u>58,462.83</u>
Total - Federal Sources					
Total Revenues	<u>74,829,668.00</u>	<u>-</u>	<u>74,829,668.00</u>	<u>87,573,973.79</u>	<u>12,744,305.79</u>

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES:					
GENERAL CURRENT EXPENDITURES:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 966,231.00		\$ 966,231.00	\$ 914,549.90	\$ 51,681.10
Grades 1 - 5	6,120,011.00	\$ (36,365.84)	6,083,645.16	5,985,006.75	98,638.41
Grades 6 - 8	4,825,539.00		4,825,539.00	4,799,036.67	26,502.33
Grades 9 - 12	5,553,725.00	(50,050.00)	5,503,675.00	5,337,612.59	166,062.41
Regular Programs - Home Instruction:					
Salaries of Teachers	166,631.00	(33,056.00)	133,575.00	47,288.82	86,286.18
Purchased Professional/Educational Services	90,000.00	(42,578.34)	47,421.66	5,221.50	42,200.16
Purchased Technical Services	40,000.00	(3,390.00)	36,610.00	139.65	36,470.35
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	767,620.00		767,620.00	477,008.60	290,611.40
Purchased Professional/Educational Services	12,960.00	3,390.00	16,350.00	16,345.34	4.66
Other Purchased Services	1,041,631.00		1,041,631.00	1,006,692.76	34,938.24
General Supplies	470,741.75	27,287.00	498,028.75	205,493.82	292,534.93
Textbooks	1,300.00		1,300.00		1,300.00
Other Objects	5,980.00		5,980.00	3,285.00	2,695.00
Total Regular Programs	20,062,369.75	(134,763.18)	19,927,606.57	18,797,681.40	1,129,925.17
Special Education:					
Behavioral Disabilities					
Salaries of Teachers	287,080.00		287,080.00	287,079.98	0.02
Other Salaries for Instruction	170,108.00		170,108.00	126,941.10	43,166.90
General Supplies	22,800.00		22,800.00	4,054.93	18,745.07
Other Objects	9,000.00		9,000.00		9,000.00
Total - Behavioral Disabilities	488,988.00	-	488,988.00	418,076.01	70,911.99
Multiple Disabilities:					
Salaries of Teachers	1,695,290.00	43,128.92	1,738,418.92	1,738,418.92	
Other Salaries for Instruction	909,227.00		909,227.00	804,004.23	105,222.77
General Supplies	30,800.00		30,800.00	21,489.06	9,310.94
Other Objects	8,000.00		8,000.00		8,000.00
Total - Multiple Disabilities	2,643,317.00	43,128.92	2,686,445.92	2,563,912.21	122,533.71

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Special Education(Cont'd):					
Resource Room/Center					
Salaries of Teachers	\$ 2,861,790.00		\$ 2,861,790.00	\$ 2,763,566.74	\$ 98,223.26
Other Salaries for Instruction	152,154.00		152,154.00	118,123.37	34,030.63
General Supplies	21,000.00		21,000.00	15,760.55	5,239.45
Total - Resource Room/Center	<u>3,034,944.00</u>	<u>-</u>	<u>3,034,944.00</u>	<u>2,897,450.66</u>	<u>137,493.34</u>
Autism					
Salaries of Teachers	460,410.00	\$ 67.81	460,477.81	460,477.81	
Other Salaries for Instruction	459,240.00		459,240.00	337,831.09	121,408.91
General Supplies	45,279.82		45,279.82	15,124.18	30,155.64
Other Objects	18,500.00		18,500.00	18,500.00	0.00
Total - Autism	<u>983,429.82</u>	<u>67.81</u>	<u>983,497.63</u>	<u>813,433.08</u>	<u>170,064.55</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	76,670.00	49,749.92	126,419.92	126,419.92	
Other Salaries for Instruction	196,519.00		196,519.00	149,305.33	47,213.67
General Supplies	10,000.00		10,000.00	5,728.39	4,271.61
Other Objects	2,000.00		2,000.00	2,000.00	0.00
Total - Preschool Disabilities - Part-Time	<u>285,189.00</u>	<u>49,749.92</u>	<u>334,938.92</u>	<u>281,453.64</u>	<u>53,485.28</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	268,650.00		268,650.00	208,563.40	60,086.60
Total - Special Education	<u>7,704,517.82</u>	<u>92,946.65</u>	<u>7,797,464.47</u>	<u>7,182,889.00</u>	<u>614,575.47</u>
Basic Skills/Remedial:					
Salaries of Teachers	951,722.00	53,650.00	1,005,372.00	834,908.17	170,463.83
Other Salaries for Instruction	53,650.00	(53,650.00)	0.00	0.00	0.00
Total - Basic Skills/Remedial	<u>1,005,372.00</u>	<u>-</u>	<u>1,005,372.00</u>	<u>834,908.17</u>	<u>170,463.83</u>

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Bilingual Education:					
Salaries of Teachers	\$ 541,196.00		\$ 541,196.00	\$ 539,509.52	\$ 1,686.48
School Sponsored Cocurricular Activities - Instruction:					
Salaries	24,240.00	\$ 824.10	25,064.10	21,050.10	4,014.00
Purchased Services	19,200.00	(2,564.10)	16,635.90	5,634.00	11,001.90
Supplies and Materials	14,500.00	1,740.00	16,240.00	15,370.00	870.00
Other Objects	9,250.00		9,250.00	435.00	8,815.00
Transfers to Cover Deficit	9,350.00		9,350.00	9,350.00	
Total - School Sponsored Cocurricular Activities - Instruction	76,540.00	-	76,540.00	51,839.10	24,700.90
School Sponsored Athletics - Instructors					
Salaries	808,083.00		808,083.00	511,550.03	296,532.97
Purchased Services	825.00		825.00		825.00
Supplies and Materials	12,150.00		12,150.00	5,175.00	6,975.00
Transfers to cover deficit	181,735.41		181,735.41	131,827.24	49,908.17
Total - School Sponsored Athletics - Instruction	1,002,793.41	-	1,002,793.41	648,552.27	354,241.14
Summer School Instruction					
Salaries of Teachers	219,978.00		219,978.00	164,978.85	54,999.15
Other Salaries of Instruction	45,971.00	-	45,971.00		45,971.00
Total - Summer School Instruction	265,949.00	-	265,949.00	164,978.85	100,970.15
Total - Instruction	30,658,737.98	(41,816.53)	30,616,921.45	28,220,358.31	2,396,563.14
Undistributed Expenditures - Instruction					
Tuition to Other LEAs within the State - Regular	22,000.00	(21,000.00)	1,000.00		1,000.00
Tuition to Other LEAs within the State - Special	50,000.00	89,000.00	139,000.00	97,695.53	41,304.47
Tuition to County Vocational School District - Regular	429,362.00	(10,000.00)	419,362.00	399,728.00	19,634.00
Tuition to CSSD & Regional Day Schools	3,021,481.00	(79,000.00)	2,942,481.00	2,535,064.32	407,416.68
Tuition to Private School for the Disabled within the State	1,384,128.00	(3,500.00)	1,380,628.00	1,268,865.56	111,762.44
Tuition to Private School for the Disabled & Other LEAs Outside of the State	276,044.00		276,044.00	70,287.82	205,756.18
Tuition - State Facilities	139,632.00		139,632.00	101,816.00	37,816.00
Tuition - Other	18,401.00	3,500.00	21,901.00	21,609.00	292.00
Total Undistributed Expenditures - Instruction	5,341,048.00	(21,000.00)	5,320,048.00	4,495,066.23	824,981.77

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Undistributed Expenditures (Cont'd):					
Attendance and Social Work					
Salaries	\$ 304,056.00		\$ 304,056.00	\$ 246,114.54	\$ 57,941.46
Other Purchased Services	3,100.00		3,100.00	73.13	3,026.87
Supplies and Materials	4,800.00		4,800.00	2,660.00	2,140.00
Other Objects	3,030.00	\$ 8,490.96	11,520.96	11,133.87	387.09
Total Attendance and Social Work	314,986.00	8,490.96	323,476.96	259,981.54	63,495.42
Health Services:					
Salaries	603,212.00	109,197.09	712,409.09	640,357.29	72,051.80
Purchased Professional and Technical Services	543,091.00	(8,490.96)	534,600.04	319,301.02	215,299.02
Supplies and Materials	25,102.76	2,021.06	27,123.82	16,466.03	10,657.79
Total Health Services	1,171,405.76	102,727.19	1,274,132.95	976,124.34	298,008.61
Other Support Services-Students-Related Services:					
Salaries	1,034,440.00	53,950.00	1,088,390.00	1,013,070.35	75,319.65
Purchased Professional - Educational Services	338,128.75	(37,350.00)	300,778.75	182,931.75	117,847.00
Supplies and Materials	15,020.19	(3,000.00)	12,020.19	1,500.29	10,519.90
Total - Other Support Services-Students-Related Services	1,387,588.94	13,600.00	1,401,188.94	1,197,502.39	203,686.55
Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	787,218.00		787,218.00	785,139.72	2,078.28
Salaries of Secretarial and Clerical Assistants	151,303.00	2,090.06	153,393.06	153,393.06	
Other Purchased Services	400.00		400.00		400.00
Supplies and Materials	7,055.00		7,055.00	2,473.67	4,581.33
Other Objects	5,568.00		5,568.00	5,568.00	
Total Other Support Services - Students - Regular	951,544.00	2,090.06	953,634.06	946,574.45	7,059.61
Other Support Services - Students - Special Services:					
Salaries of Other Professional Staff	1,698,211.00	23,729.96	1,721,940.96	1,643,906.08	78,034.88
Salaries of Secretarial and Clerical Assistants	240,474.00		240,474.00	217,991.35	22,482.65
Purchased Professionals - Educational services	124,800.00	(16,600.00)	108,200.00	78,148.51	30,051.49
Other Purchased Services	4,200.00	(4,200.00)			
Miscellaneous Purchased Services		4,200.00	4,200.00		4,200.00
Supplies and Materials	32,000.00	3,000.00	35,000.00	29,104.60	5,895.40
Other Objects	2,915.00	3,000.00	5,915.00	5,141.78	773.22
Total Other Support Services - Students - Regular	2,102,600.00	13,129.96	2,115,729.96	1,974,292.32	141,437.64

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Undistributed Expenditures (Cont'd):					
Improvement of Instruction Services/Other Support					
Services - Instructional Staff:					
Salaries of Supervisor of Instruction	\$ 896,011.00		\$ 896,011.00	\$ 894,227.10	\$ 1,783.90
Salaries of Secretarial and Clerical Assistants	87,545.00	\$ 23.98	87,568.98	87,568.98	
Purchased Professional - Educational services	22,351.00	6,962.00	29,313.00	29,270.38	42.62
Other Purchased Services	21,787.00	(20,549.00)	1,238.00	1,208.30	29.70
Supplies and Materials	1,634.00		1,634.00	1,634.00	
Other Objects	5,740.00	350.00	6,090.00	5,915.00	175.00
	<u>1,035,068.00</u>	<u>(13,213.02)</u>	<u>1,021,854.98</u>	<u>1,019,823.76</u>	<u>2,031.22</u>
Total Improvement of Instruction Services/Other Support Services - Instructional Staff					
Educational Media Services/School Library:					
Salaries	368,036.00		368,036.00	366,617.72	1,418.28
Other Purchased Services	600.00	650.00	1,250.00	750.00	500.00
Supplies and Materials	132,245.64	(2,200.00)	130,045.64	112,379.66	17,665.98
	<u>500,881.64</u>	<u>(1,550.00)</u>	<u>499,331.64</u>	<u>479,747.38</u>	<u>19,584.26</u>
Total Educational Media Services/School Library					
Instructional Staff Training Services:					
Purchased Professional - Educational Services	20,000.00	(13,000.00)	7,000.00	4,077.00	2,923.00
Other Purchased Services	37,643.00	(24,000.00)	13,643.00	8,202.89	5,440.11
Other Objects	712.00		712.00	43.00	669.00
	<u>58,355.00</u>	<u>(37,000.00)</u>	<u>21,355.00</u>	<u>12,322.89</u>	<u>9,032.11</u>
Total Instructional Staff Training Services					

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Undistributed Expenditures (Cont'd):					
Support Services General Administration:					
Salaries	\$ 294,419.00	\$ 0.04	\$ 294,419.04	\$ 294,242.00	\$ 177.04
Legal Services	116,000.00	(11,000.00)	105,000.00	64,564.17	40,435.83
Audit Fees	66,695.00		66,695.00	59,940.20	6,754.80
Architectural/Engineering Services	1,000.00	(600.00)	400.00		400.00
Other Purchased Professional Services	24,976.00	10,175.00	35,151.00	33,965.77	1,185.23
Purchased Technical Services	29,822.00	10,700.00	40,522.00	29,111.04	11,410.96
Communications/Telephone	122,436.00	49,875.00	172,311.00	167,588.65	4,722.35
BOE Other Purchased Services	5,000.00	(875.00)	4,125.00	1,235.71	2,889.29
Other Purchased Services	34,988.00	(4,375.00)	30,613.00	23,517.00	7,096.00
General Supplies	10,375.00	1,900.00	12,275.00	10,376.97	1,898.03
Judgments Against the School District	7,120.00		7,120.00	2,760.00	4,360.00
Miscellaneous Expenditures	10,150.00	(1,500.00)	8,650.00	3,247.00	5,403.00
BOE Membership Dues and Fees	27,000.00		27,000.00	25,935.00	1,065.00
Total Support Services General Administration	749,981.00	54,300.04	804,281.04	716,483.51	87,797.53
Support Services School Administration:					
Salaries of Principals/Assistant Principals	2,007,786.00	(107,013.62)	1,900,772.38	1,900,772.38	
Salaries of Secretarial and Clerical Assistants	648,505.00		648,505.00	636,286.78	12,218.22
Purchased Professional and Technical Services	12,500.00	1,000.00	13,500.00	13,500.00	
Other Purchased Services	7,134.00	(1,000.00)	6,134.00		6,134.00
Supplies and Materials	142,115.22	(14,500.00)	127,615.22	80,935.97	46,679.25
Other Objects	5,385.00		5,385.00	5,385.00	
Total Support Services School Administration	2,823,425.22	(121,513.62)	2,701,911.60	2,636,880.13	65,031.47
Central Services					
Salaries	662,440.00	33,056.00	695,496.00	626,624.17	68,871.83
Purchased Technical Services	81,295.00	6,900.00	88,195.00	76,311.90	11,883.10
Miscellaneous Purchased Services	304,013.00	(1,000.00)	303,013.00	175,738.86	127,274.14
Supplies and Materials	8,149.00	7,600.00	15,749.00	13,489.42	2,259.58
Miscellaneous Expenditures	2,850.00	(200.00)	2,650.00	2,546.38	103.62
Total Central Services	1,058,747.00	46,356.00	1,105,103.00	894,710.73	210,392.27

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Undistributed Expenditures (Cont'd):					
Administration of Information Technology					
Salaries	\$ 414,857.00	\$ 88,268.00	\$ 503,125.00	\$ 488,068.74	\$ 15,056.26
Purchased Prof Services	277,250.00	13,000.00	290,250.00	286,627.76	3,622.24
Other Purchased Services	3,233.00		3,233.00	729.23	2,503.77
Supplies and Materials	30,492.00		30,492.00	21,072.05	9,419.95
	<u>725,832.00</u>	<u>101,268.00</u>	<u>827,100.00</u>	<u>796,497.78</u>	<u>30,602.22</u>
Total Administration of Information Technology					
Required Maintenance for School Facilities:					
Salaries	605,822.00	(88,268.00)	517,554.00	476,583.49	40,970.51
Cleaning, Repair & Maintenance Services	279,137.00	4,178.00	283,315.00	249,641.25	33,673.75
General Supplies	100,124.50	69,000.00	169,124.50	151,945.49	17,179.01
	<u>985,083.50</u>	<u>(15,090.00)</u>	<u>969,993.50</u>	<u>878,170.23</u>	<u>91,823.27</u>
Total - Required Maintenance for School Facilities					
Custodial Services:					
Salaries	2,386,230.00	(108,479.59)	2,277,750.41	2,262,751.61	14,998.80
Purchased Professional and Technical Services	52,700.00	(11,178.00)	41,522.00	14,987.28	26,534.72
Cleaning, Repair & Maintenance Services	159,941.00	(3,366.00)	156,575.00	136,817.95	19,757.05
Rental of Land & Building Other than Lease Purchase Agreement	70,788.00	366.00	71,154.00	70,785.00	369.00
Other Purchased Property Services	55,000.00	18,000.00	73,000.00	63,515.82	9,484.18
Insurance	305,777.00		305,777.00	305,703.00	74.00
Miscellaneous Purchased Services	875.00		875.00	507.68	367.32
General Supplies	150,562.24	17,300.00	167,862.24	153,484.08	14,378.16
Energy (Natural Gas)	400,000.00	(63,300.00)	336,700.00	147,799.38	188,900.62
Energy (Electricity)	1,105,000.00		1,105,000.00	916,893.18	188,106.82
Other Objects	28,692.00	6,393.00	35,085.00	31,514.89	3,570.11
	<u>4,715,565.24</u>	<u>(144,264.59)</u>	<u>4,571,300.65</u>	<u>4,104,759.87</u>	<u>466,540.78</u>
Total - Custodial Services					
Care and Upkeep of Grounds:					
Salaries	243,162.00	(6,165.00)	236,997.00	161,601.96	75,395.04
Purchased Professional and Technical Services	5,000.00	(693.00)	4,307.00		4,307.00
Cleaning, Repair & Maintenance Services	27,000.00		27,000.00	23,517.85	3,482.15
General Supplies	20,000.00	(5,000.00)	15,000.00	9,949.32	5,050.68
	<u>295,162.00</u>	<u>(11,858.00)</u>	<u>283,304.00</u>	<u>195,069.13</u>	<u>88,234.87</u>
Total - Care and Upkeep of Grounds					

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Undistributed Expenditures (Cont'd):					
Security:					
Salaries	\$ 211,262.00	\$ 22,714.72	\$ 233,976.72	\$ 227,811.72	\$ 6,165.00
Purchased Professional and Technical Services	6,000.00	(3,000.00)	3,000.00		3,000.00
Other Objects	400.00		400.00	200.00	200.00
Total Security	<u>217,662.00</u>	<u>19,714.72</u>	<u>237,376.72</u>	<u>228,011.72</u>	<u>9,365.00</u>
Total - Operation and Maintenance of Plant Services	<u>6,213,472.74</u>	<u>(151,497.87)</u>	<u>6,061,974.87</u>	<u>5,406,010.95</u>	<u>655,963.92</u>
Student Transportation Services:					
Salaries of Non-Instructional Aides	185,381.00		185,381.00	184,930.98	450.02
Salaries for Pupil Transportation (Between Home & School) - Regular	78,541.00		78,541.00	63,150.64	15,390.36
Salaries for Pupil Transportation (Between Home & School) - Special	35,000.00		35,000.00		35,000.00
Other Purchased Professional and Technical Services	12,150.00	250.00	12,400.00	12,363.52	36.48
Contracted Services - Aid in Lieu of Payments - Non-public Schools	257,920.00	(250.00)	257,670.00	101,446.80	156,223.20
Contracted Services (Between Home & School) - Vendors	3,610,984.00	(244,709.00)	3,366,275.00	2,445,523.81	920,751.19
Contracted Services (Other Than Between Home & School) - Vendors	221,877.00	(41,408.54)	180,468.46	3,472.40	176,996.06
Contracted Services (Special Education Students) - Vendors	1,080,929.00	21,408.54	1,102,337.54	790,910.42	311,427.12
General Supplies	14,840.00		14,840.00	4,350.72	10,489.28
Other Objects	500.00		500.00		500.00
Total Student Transportation Services	<u>5,498,122.00</u>	<u>(264,709.00)</u>	<u>5,233,413.00</u>	<u>3,606,149.29</u>	<u>1,627,263.71</u>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	1,081,525.00	(116,536.49)	964,988.51	833,494.24	131,494.27
Other Retirement Contributions - PERS	1,004,503.00	109,636.49	1,114,139.49	1,114,139.49	
Other Retirement Contributions - Regular	35,400.00		35,400.00	24,350.57	11,049.43
Unemployment Compensation	10,000.00	(6,895.47)	3,104.53		3,104.53
Workmen's Compensation	402,561.00		402,561.00	402,463.00	98.00
Health Benefits	12,393,659.00	(729,390.62)	11,664,268.38	9,975,731.85	1,688,536.53
Tuition Reimbursement	90,000.00		90,000.00	66,490.15	23,509.85
Other Employee Benefits	805,271.72	26,800.00	832,071.72	795,480.13	36,591.59
Unused Sick Payment to Terminated/Retired Staff	99,852.00	39,364.92	139,216.92	128,420.92	10,796.00
Total Unallocated Benefits - Employee Benefits	<u>15,922,771.72</u>	<u>(677,021.17)</u>	<u>15,245,750.55</u>	<u>13,340,570.35</u>	<u>1,905,180.20</u>

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENDITURES (CONT'D):					
Undistributed Expenditures (Cont'd):					
TPAF Contributions:					
On-behalf TPAF Pension Contributions (non-budgeted)				\$ 7,821,601.00	\$ (7,821,601.00)
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				148,816.00	(148,816.00)
On-behalf TPAF Medical Contributions (non-budgeted)				2,497,805.00	(2,497,805.00)
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				4,237.00	(4,237.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				2,199,344.42	(2,199,344.42)
Total TPAF Contributions	-	-	-	12,671,803.42	(12,671,803.42)
Total Undistributed Expenditures	\$ 45,855,829.02	\$ (945,542.47)	\$ 44,910,286.55	51,430,541.46	(6,520,254.91)
Interest Earned on Maintenance Reserve	1.00	(1.00)	-	-	-
Interest Earned on Current Expense Emergency Res	1.00	(1.00)	-	-	-
Total Expenditures - Current Expenditures	76,514,569.00	(987,361.00)	75,527,208.00	79,650,899.77	(4,123,691.77)
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve					
	1.00	(1.00)	-	-	-
Equipment:					
Special Education - Instruction:					
Multiple Disabilities	6,003.00	(6,003.00)			
Autism	4,000.00	(4,000.00)			
Undistributed Expenditures - Instruction	15,010.88	54,000.00	69,010.88	36,981.46	32,029.42
Undistributed Expenditures - Support Services - Related Services	9,000.00	(9,000.00)			
Total - Equipment	34,013.88	34,997.00	69,010.88	36,981.46	32,029.42
Facilities Acquisition and Construction Services:					
Construction Services	500,000.00	-	500,000.00	65,265.00	434,735.00
Total Capital Outlay	534,014.88	34,996.00	569,010.88	102,246.46	466,764.42

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Transfer of Funds to Charter Schools	\$ 747,204.00	\$ 152,859.00	\$ 900,063.00	\$ 897,495.50	\$ 2,567.50
Total Expenditures	<u>77,795,787.88</u>	<u>(799,506.00)</u>	<u>76,996,281.88</u>	<u>80,650,641.73</u>	<u>(3,654,359.85)</u>
Calculation of Deficiency of Revenues Under Expenditures:					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,966,119.88)</u>	<u>799,506.00</u>	<u>(2,166,613.88)</u>	<u>6,923,332.06</u>	<u>(9,089,945.94)</u>
Other Financing Sources (Uses):					
Capital Reserve Transferred to Capital Projects Fund	<u>-</u>	<u>(1,025,000.00)</u>	<u>(1,025,000.00)</u>	<u>(1,025,000.00)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(2,966,119.88)</u>	<u>(225,494.00)</u>	<u>(3,191,613.88)</u>	<u>5,898,332.06</u>	<u>9,089,945.94</u>
Fund Balances, July 1	<u>11,103,356.70</u>	<u>-</u>	<u>11,103,356.70</u>	<u>11,103,356.70</u>	<u>-</u>
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,886.82</u>	<u>-</u>
Fund Balances, July 1, Restated	<u>11,103,356.70</u>	<u>-</u>	<u>11,103,356.70</u>	<u>11,132,243.52</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 8,137,236.82</u>	<u>\$ (225,494.00)</u>	<u>\$ 7,911,742.82</u>	<u>\$ 17,030,575.58</u>	<u>\$ 9,089,945.94</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$ 1,637,443.95	
Excess Surplus -- Designated for Subsequent Year's Expenditures				1,470,723.31	
Emergency Reserve				715,548.52	
Maintenance Reserve				2,027,894.13	
Maintenance Reserve -- Designated for Subsequent Year's Expenditures				596,869.00	
Capital Reserve				5,648,554.48	
Unemployment Compensation				28,946.71	
Assigned Fund Balance:					
Other Purposes -- Encumbrances				1,250,521.26	
Designated for Subsequent Year's Expenditures				438,836.69	
Unassigned Fund Balance				<u>3,215,237.53</u>	
				17,030,575.58	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(1,154,739.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 15,875,836.58</u>	

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Revenue from Local Sources	-	\$ 121,177.13	\$ 121,177.13	\$ 129,754.84	\$ (8,577.71)
State Sources:					
Nonpublic Aid	\$ 9,640.00	35,321.00	44,961.00	43,860.02	1,100.98
Federal Sources:					
Title I, Part A	465,198.00	161,906.00	627,104.00	234,927.11	392,176.89
Title I, Part A - Reallocated		92,387.00	92,387.00	38,315.76	54,071.24
Title II Part A	114,202.00	72,418.00	186,620.00	138,444.53	48,175.47
Title III	19,715.00	17,930.00	37,645.00	15,174.70	22,470.30
Title IV	35,302.00	19,121.00	54,423.00	15,002.43	39,420.57
I.D.E.A., Part B Basic	846,415.00	189,349.00	1,035,764.00	956,416.05	79,347.95
I.D.E.A., Part B, Preschool		39,233.00	39,233.00	31,552.84	7,680.16
Perkins	22,141.00	6,849.40	28,990.40	20,937.81	8,052.59
CARES		415,523.00	415,523.00	398,720.27	16,802.73
Digital Divide		713,619.00	713,619.00	713,518.15	100.85
Nonpublic Digital Divide		3,437.00	3,437.00	3,252.87	184.13
CRF		294,622.00	294,622.00	294,622.00	
CRRSA		1,694,471.00	1,694,471.00	264,929.54	1,429,541.46
Total - Federal Sources	1,502,973.00	3,720,865.40	5,223,838.40	3,125,814.06	2,098,024.34
Total Revenues	\$ 1,512,613.00	\$ 3,877,363.53	\$ 5,389,976.53	\$ 3,299,428.92	\$ 2,090,547.61

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 83,434.87	\$ 177,342.51	\$ 260,777.38	\$ 112,069.35	\$ 148,708.03
Purchased Professional & Educational Services		29,535.00	29,535.00	29,512.25	22.75
Other Purchased Services (400-500 series)		48,577.50	48,577.50	48,577.50	
Tuition	818,633.66	203,783.34	1,022,417.00	956,416.05	66,000.95
General Supplies	203,882.92	1,453,525.34	1,657,408.26	1,351,234.43	306,173.83
Textbooks		4,826.00	4,826.00	4,765.02	60.98
Other Objects		88,386.63	88,386.63	41,663.30	46,723.33
Total Instruction	<u>1,105,951.45</u>	<u>2,005,976.32</u>	<u>3,111,927.77</u>	<u>2,544,237.90</u>	<u>567,689.87</u>
Support Services:					
Other Salaries	230,196.91	(226,696.91)	3,500.00		3,500.00
Personal Services - Employee Benefits	83,878.89	(67,910.89)	15,968.00		15,968.00
Purchased Professional & Technical Services	72,491.75	203,034.25	275,526.00	242,626.51	32,899.49
Other Purchased Professional Services	6,337.91	98,662.09	105,000.00	73,426.54	31,573.46
Miscellaneous Purchased Services		91,086.00	91,086.00	50,705.78	40,380.22
Supplies and Materials	13,756.09	286,892.67	300,648.76	194,098.20	106,550.56
Student Activities				234,887.30	(234,887.30)
Scholarship				500.00	(500.00)
Total Support Services	<u>406,661.55</u>	<u>385,067.21</u>	<u>791,728.76</u>	<u>796,244.33</u>	<u>(4,515.57)</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	-	1,486,320.00	1,486,320.00	-	1,486,320.00
Total Expenditures	<u>\$ 1,512,613.00</u>	<u>\$ 3,877,363.53</u>	<u>\$ 5,389,976.53</u>	<u>3,340,482.23</u>	<u>\$ 2,049,494.30</u>
Fund Balance, July 1				-	
Prior Period Adjustment				<u>187,910.56</u>	
Fund Balance, July 1 (Restated)				<u>187,910.56</u>	
Fund Balance, June 30				<u>\$ 146,857.25</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 5,671.39	
Student Activities				<u>141,185.86</u>	
Total Fund Balance				<u>\$ 146,857.25</u>	

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information
 Budget-to-GAAP Reconciliation
 For the Fiscal Year Ended June 30, 2021

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 87,573,973.79	\$ 3,299,428.92
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(329,885.41)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2020.	1,064,053.00	
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2021.	<u>(1,154,739.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u><u>\$ 87,483,287.79</u></u>	<u><u>\$ 2,969,543.51</u></u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 80,650,641.73	\$ 3,340,482.23
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>(329,885.41)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u><u>\$ 80,650,641.73</u></u>	<u><u>\$ 3,010,596.82</u></u>

REQUIRED SUPPLEMENTARY INFORMATION
PART III

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Eight Plan Years

	<u>Measurement Date Ending June 30,</u>							
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.1012133500%	0.0976855855%	0.0951400381%	0.0932055632%	0.0940885230%	0.0910251309%	0.0899674886%	0.0890371846%
School District's Proportionate Share of the Net Pension Liability	\$ 16,505,250.00	\$ 17,601,461.00	\$ 18,732,599.00	\$ 21,696,765.00	\$ 27,866,322.00	\$ 20,433,318.00	\$ 16,844,374.00	\$ 17,016,775.00
School District's Covered Payroll (Plan Measurement Period)	\$ 7,717,964.00	\$ 7,379,708.00	\$ 6,946,544.00	\$ 6,802,204.00	\$ 6,747,016.00	\$ 6,586,248.00	\$ 6,519,736.00	\$ 6,467,192.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	213.85%	238.51%	269.67%	318.97%	413.02%	310.24%	258.36%	263.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Eight Fiscal Years

	Fiscal Year Ended June 30,							
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,226,981.00	\$ 1,107,225.00	\$ 950,198.00	\$ 946,336.00	\$ 863,450.00	\$ 835,869.00	\$ 782,572.00	\$ 741,679.00
Contributions in Relation to the Contractually Required Contribution	<u>(1,226,981.00)</u>	<u>(1,107,225.00)</u>	<u>(950,198.00)</u>	<u>(946,336.00)</u>	<u>(863,450.00)</u>	<u>(835,869.00)</u>	<u>(782,572.00)</u>	<u>(741,679.00)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District's Covered Payroll (Fiscal Year)	\$ 7,453,863.00	\$ 7,459,686.00	\$ 7,172,138.00	\$ 6,918,486.00	\$ 6,374,619.00	\$ 6,331,851.00	\$ 6,311,328.00	\$ 6,213,153.00
Contributions as a Percentage of School District's Covered Payroll	16.46%	14.84%	13.25%	13.68%	13.55%	13.20%	12.40%	11.94%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.
 However, until a full 10-year trend is compiled, this presentation will only include information
 for those years for which information is available.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Eight Plan Years

	<u>Measurement Date Ending June 30,</u>							
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability			-	-	-	-	-	-
State's Proportionate Share of the School District's Net Pension Liability	<u>\$ 175,521,907.00</u>	<u>\$ 165,444,676.00</u>	<u>\$ 174,467,732.00</u>	<u>\$ 184,475,811.00</u>	<u>\$ 212,002,522.00</u>	<u>\$ 167,745,473.00</u>	<u>\$ 143,002,548.00</u>	<u>\$ 131,947,181.00</u>
	<u>\$ 175,521,907.00</u>	<u>\$ 165,444,676.00</u>	<u>\$ 174,467,732.00</u>	<u>\$ 184,475,811.00</u>	<u>\$ 212,002,522.00</u>	<u>\$ 167,745,473.00</u>	<u>\$ 143,002,548.00</u>	<u>\$ 131,947,181.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 34,693,752.00	\$ 33,988,700.00	\$ 33,489,896.00	\$ 33,309,212.00	\$ 32,901,844.00	\$ 31,744,896.00	\$ 31,234,832.00	\$ 30,496,344.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	505.92%	486.76%	520.96%	553.83%	644.35%	528.42%	457.83%	432.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.
 However, until a full 10-year trend is compiled, this presentation will only include information
 for those years for which information is available.

TOWNSHIP OF EWING SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of the School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Eight Fiscal Years

This schedule is not applicable.

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

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

TOWNSHIP OF EWING SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2021

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms:

The June 30, 2020 measurement date included one change to the plan provisions. The Division of Pension and Benefits (DPB) adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	5.40%	2016	3.22%
2019	5.60%	2015	4.13%
2018	4.86%	2014	4.68%
2017	4.25%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms:

The June 30, 2020 measurement date included two changes to the plan provisions. Chapter 157, P.L. 2019 expanded the definition of regular or assigned duties for purposes of accidental disability. The Division of Pension and Benefits (DPB) also adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%
2017	5.00%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

REQUIRED SUPPLEMENTARY INFORMATION
PART IV

TOWNSHIP OF EWING SCHOOL DISTRICT
 Required Supplementary Information - Part IV
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
 Last Four Plan Years

	Measurement Date Ending June 30,			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District				
Changes for the Year:				
Service Cost	\$ 5,201,597.00	\$ 4,889,456.00	\$ 5,474,879.00	\$ 6,618,104.00
Interest Cost	4,256,113.00	5,197,515.00	5,646,620.00	4,878,989.00
Difference Between Expected and Actual Experience	34,787,115.00	(21,456,059.00)	(15,460,573.00)	
Changes in Assumptions	35,532,686.00	1,759,829.00	(15,050,629.00)	(20,412,542.00)
Gross Benefit Payments	102,644.00	(3,623,152.00)	(3,507,023.00)	(3,565,345.00)
Member Contributions	<u>(3,386,487.00)</u>	<u>107,400.00</u>	<u>121,208.00</u>	<u>131,285.00</u>
Net Change in Total Non-Employer OPEB Liability	76,493,668.00	(13,125,011.00)	(22,775,518.00)	(12,349,509.00)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	<u>118,029,431.00</u>	<u>131,154,442.00</u>	<u>153,929,960.00</u>	<u>166,279,469.00</u>
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>\$ 194,523,099.00</u>	<u>\$ 118,029,431.00</u>	<u>\$ 131,154,442.00</u>	<u>\$ 153,929,960.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 37,363,021.00</u>	<u>\$ 36,526,130.00</u>	<u>\$ 35,597,049.00</u>	<u>\$ 34,304,876.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	520.63%	323.14%	368.44%	448.71%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF EWING SCHOOL DISTRICT
Notes to Required Supplementary Information - Part IV
For the Fiscal Year Ended June 30, 2021

Changes in Benefit Terms:

There were no changes in benefit terms from the previous valuations.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	2.21%	2018	3.87%
2019	3.50%	2017	3.58%

The mortality assumption was updated upon the direction from the Division of Pension and Benefits (DPB).

The health care trend assumption is used to project the growth of the expected claims over the lifetime of the health care recipients. Medical and prescription drug trend rates are determined by utilizing experience data, industry experience which includes surveys and Aon trend guidance. These rates are adjusted further to be appropriate with respect to the plan provisions. The ultimate trend for medical and prescription drug benefits was lowered from 5.0% to 4.5%. Recent plan experience along with national trend studies indicate a reduction on the expectations of future long-term medical and prescription drug experience. For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage rates for Plan Years 2019 through 2022 are reflected. For Plan Year 2023, the Medicare Advantage trend rate includes an assumed increase in the premiums based on recent experience and discussions with the Medicare Advantage vendor. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% decreasing to a 4.5% long-term trend rate after seven years.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF EWING SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2021

	<u>Total</u>	<u>E.S.S.A.</u>				<u>ESSER</u>		<u>Total Brought Forward</u>
		<u>Title I, Part A Grants to Local Educational Agencies</u>	<u>Title I, Part A Grants to Local Educational Agencies Reallocated</u>	<u>Supporting Effective instruction State Grants (Title II, Part A) ESSA</u>	<u>English Language Acquisition (Title III)</u>	<u>CARES</u>		
REVENUES:								
Federal Sources	\$ 3,125,814.06	\$ 234,927.11	\$ 38,315.76	\$ 138,444.53	\$ 15,174.70	\$ 398,720.27	\$ 2,300,231.69	
State Sources	43,860.02						43,860.02	
Local Sources	129,754.84						129,754.84	
Total Revenues	3,299,428.92	234,927.11	38,315.76	138,444.53	15,174.70	398,720.27	2,473,846.55	
EXPENDITURES:								
Instruction:								
Salaries of Teachers	112,069.35	93,813.05			1,054.09		17,202.21	
Purchased Professional & Educational Services	29,512.25						29,512.25	
Other Purchased Services (400-500 series)	48,577.50						48,577.50	
Tuition	956,416.05						956,416.05	
General Supplies	1,351,234.43	141,114.06			11,728.61	297,480.60	900,911.16	
Textbooks	4,765.02						4,765.02	
Other Objects	41,663.30						41,663.30	
Total Instruction	2,544,237.90	234,927.11	-	-	12,782.70	297,480.60	1,999,047.49	
Support Services:								
Purchased Professional & Technical Services	242,626.51		38,315.76	90,130.75		63,340.00	50,840.00	
Other Purchased Professional Services	73,426.54						73,426.54	
Miscellaneous Purchased Services	50,705.78			48,313.78	2,392.00			
Supplies and Materials	194,098.20					37,899.67	156,198.53	
Student Activities	234,887.30						234,887.30	
Scholarship	500.00						500.00	
Total Support Services	796,244.33	-	38,315.76	138,444.53	2,392.00	101,239.67	515,852.37	
Total Expenditures	3,340,482.23	234,927.11	38,315.76	138,444.53	15,174.70	398,720.27	2,514,899.86	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,053.31)	-	-	-	-	-	(41,053.31)	
Fund Balance, July 1	-	-	-	-	-	-	-	
Prior Period Adjustment	187,910.56	-	-	-	-	-	187,910.56	
Fund Balance, July 1 (Restated)	187,910.56	-	-	-	-	-	187,910.56	
Fund Balance, June 30	\$ 146,857.25	-	-	-	-	-	\$ 146,857.25	

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	Total Carried Forward	E.S.S.A.	I.D.E.A. Part B			Nonpublic Bridging the Digital Divide	Total Brought Forward
		Title IV - Student Support and Academic Enrichment (ESSA)	Special Education Grants to States (I.D.E.A. Basic)	Special Education Preschool Grants (I.D.E.A. Preschool)	Bridging the Digital Divide		
REVENUES:							
Federal Sources	\$ 2,300,231.69	\$ 15,002.43	\$ 956,416.05	\$ 31,552.84	\$ 713,518.15	\$ 3,252.87	\$ 580,489.35
State Sources	43,860.02						43,860.02
Local Sources	129,754.84						129,754.84
Total Revenues	2,473,846.55	15,002.43	956,416.05	31,552.84	713,518.15	3,252.87	754,104.21
EXPENDITURES:							
Instruction:							
Salaries of Teachers	17,202.21	14,268.39					2,933.82
Purchased Professional & Educational Services	29,512.25			29,512.25			48,577.50
Other Purchased Services (400-500 series)	48,577.50						48,577.50
Tuition	956,416.05		956,416.05				181,365.51
General Supplies	900,911.16	734.04		2,040.59	713,518.15	3,252.87	4,765.02
Textbooks	4,765.02						41,663.30
Other Objects	41,663.30						41,663.30
Total Instruction	1,999,047.49	15,002.43	956,416.05	31,552.84	713,518.15	3,252.87	279,305.15
Support Services:							
Purchased Professional & Technical Services	50,840.00						50,840.00
Other Purchased Professional Services	73,426.54						73,426.54
Miscellaneous Purchased Services							
Supplies and Materials	156,198.53						156,198.53
Student Activities	234,887.30						234,887.30
Scholarship	500.00						500.00
Total Support Services	515,852.37	-	-	-	-	-	515,852.37
Total Expenditures	2,514,899.86	15,002.43	956,416.05	31,552.84	713,518.15	3,252.87	795,157.52
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,053.31)	-	-	-	-	-	(41,053.31)
Fund Balance, July 1	-	-	-	-	-	-	-
Prior Period Adjustment	187,910.56	-	-	-	-	-	187,910.56
Fund Balance, July 1 (Restated)	187,910.56	-	-	-	-	-	187,910.56
Fund Balance, June 30	\$ 146,857.25	-	-	-	-	-	\$ 146,857.25

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	Total Carried Forward	Coronavirus Relief Fund	<u>ESSER II</u>	Perkins Vocational and Applied Technology	Nonpublic Security Aid	Nonpublic Nursing Aid	Total Brought Forward
REVENUES:							
Federal Sources	\$ 580,489.35	\$ 294,622.00	\$ 264,929.54	\$ 20,937.81			
State Sources	43,860.02				\$ 17,150.00	\$ 9,978.00	\$ 16,732.02
Local Sources	129,754.84						129,754.84
Total Revenues	<u>754,104.21</u>	<u>294,622.00</u>	<u>264,929.54</u>	<u>20,937.81</u>	<u>17,150.00</u>	<u>9,978.00</u>	<u>146,486.86</u>
EXPENDITURES:							
Instruction:							
Salaries of Teachers	2,933.82			2,933.82			
Purchased Professional & Educational Services							
Other Purchased Services (400-500 series)	48,577.50	48,577.50					
Tuition							
General Supplies	181,365.51		140,663.00	18,003.99			22,698.52
Textbooks	4,765.02						4,765.02
Other Objects	41,663.30				17,150.00	9,978.00	14,535.30
Total Instruction	<u>279,305.15</u>	<u>48,577.50</u>	<u>140,663.00</u>	<u>20,937.81</u>	<u>17,150.00</u>	<u>9,978.00</u>	<u>41,998.84</u>
Support Services:							
Purchased Professional & Technical Services	50,840.00		50,840.00				
Other Purchased Professional Services	73,426.54		73,426.54				
Miscellaneous Purchased Services							
Supplies and Materials	156,198.53	155,724.50					474.03
Student Activities	234,887.30	90,320.00					144,567.30
Scholarship	500.00						500.00
Total Support Services	<u>515,852.37</u>	<u>246,044.50</u>	<u>124,266.54</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,541.33</u>
Total Expenditures	<u>795,157.52</u>	<u>294,622.00</u>	<u>264,929.54</u>	<u>20,937.81</u>	<u>17,150.00</u>	<u>9,978.00</u>	<u>187,540.17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(41,053.31)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(41,053.31)</u>
Fund Balance, July 1		-	-	-	-	-	-
Prior Period Adjustment	187,910.56	-	-	-	-	-	187,910.56
Fund Balance, July 1 (Restated)	187,910.56	-	-	-	-	-	187,910.56
Fund Balance, June 30	<u>\$ 146,857.25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 146,857.25</u>

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	Total Carried <u>Forward</u>	Nonpublic Textbook <u>Aid</u>	N.J. Nonpublic Handicapped Services Ch. 193		N.J. Nonpublic Auxiliary Services Ch. 192	Ewing Education Foundation	Total Brought <u>Forward</u>
			Supplemental <u>Instruction</u>	Examination and <u>Classification</u>	<u>Transportation</u>		
REVENUES:							
Federal Sources							
State Sources	\$ 16,732.02	\$ 4,765.02	\$ 5,019.00	\$ 6,316.00	\$ 632.00	\$ 16,258.01	\$ 113,496.83
Local Sources	129,754.84						
Total Revenues	146,486.86	4,765.02	5,019.00	6,316.00	632.00	16,258.01	113,496.83
EXPENDITURES:							
Instruction:							
Salaries of Teachers							
Purchased Professional & Educational Services							
Other Purchased Services (400-500 series)							
Tuition							
General Supplies	22,698.52					16,258.01	6,440.51
Textbooks	4,765.02	4,765.02					
Other Objects	14,535.30		5,019.00	6,316.00	632.00		2,568.30
Total Instruction	41,998.84	4,765.02	5,019.00	6,316.00	632.00	16,258.01	9,008.81
Support Services:							
Purchased Professional & Technical Services							
Other Purchased Professional Services							
Miscellaneous Purchased Services							
Supplies and Materials	474.03						474.03
Student Activities	144,567.30						144,567.30
Scholarship Fund	500.00						500.00
Total Support Services	145,541.33	-	-	-	-	-	145,541.33
Total Expenditures	187,540.17	4,765.02	5,019.00	6,316.00	632.00	16,258.01	154,550.14
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,053.31)	-	-	-	-	-	(41,053.31)
Fund Balance, July 1	-	-	-	-	-	-	-
Prior Period Adjustment	187,910.56	-	-	-	-	-	187,910.56
Fund Balance, July 1 (Restated)	187,910.56	-	-	-	-	-	187,910.56
Fund Balance, June 30	\$ 146,857.25	-	-	-	-	-	\$ 146,857.25

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	Total Carried <u>Forward</u>	Parent <u>Organizations</u>	Local <u>Grants</u>	Student Activities <u>Fund</u>	Scholarship <u>Fund</u>
REVENUES:					
Federal Sources					
State Sources					
Local Sources	\$ 113,496.83	\$ 2,068.30	\$ 7,414.54	\$ 104,005.53	\$ 8.46
Total Revenues	<u>113,496.83</u>	<u>2,068.30</u>	<u>7,414.54</u>	<u>104,005.53</u>	<u>8.46</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional & Educational Services					
Other Purchased Services (400-500 series)					
Tuition	6,440.51		6,440.51		
General Supplies					
Textbooks					
Other Objects	2,568.30	2,068.30	500.00		
Total Instruction	<u>9,008.81</u>	<u>2,068.30</u>	<u>6,940.51</u>	-	-
Support Services:					
Purchased Professional & Technical Services					
Other Purchased Professional Services					
Miscellaneous Purchased Services					
Supplies and Materials	474.03		474.03		
Student Activities	144,567.30			144,567.30	
Scholarship Fund	500.00				500.00
Total Support Services	<u>145,541.33</u>	-	<u>474.03</u>	<u>144,567.30</u>	<u>500.00</u>
Total Expenditures	<u>154,550.14</u>	<u>2,068.30</u>	<u>7,414.54</u>	<u>144,567.30</u>	<u>500.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(41,053.31)</u>	-	-	<u>(40,561.77)</u>	<u>(491.54)</u>
Fund Balance, July 1	-	-	-	-	-
Prior Period Adjustment	187,910.56	-	-	181,747.63	6,162.93
Fund Balance, July 1 (Restated)	<u>187,910.56</u>	-	-	<u>181,747.63</u>	<u>6,162.93</u>
Fund Balance, June 30	<u>\$ 146,857.25</u>	-	-	<u>\$ 141,185.86</u>	<u>\$ 5,671.39</u>

CAPITAL PROJECTS FUND

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2021

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2021</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Gusz Maintenance Building Rehabilitation	10/02/18	\$ 1,268,000.00	\$ 1,174,694.48	\$ 93,305.52	
Antheil Elementary School Rehabilitation	10/02/18	11,157,000.00	4,790,794.38	2,229,627.94	\$ 4,136,577.68
Antheil Elementary School Renovations	10/02/18	400,000.00	18,354.17	79,936.47	301,709.36
Lore Elementary School Rehabilitation	10/02/18	5,666,000.00	2,266,450.76	1,132,300.12	2,267,249.12
Lore Elementary School Renovations	10/02/18	400,000.00	11,439.17	79,936.47	308,624.36
Parkway Elementary School Rehabilitation	10/02/18	3,995,000.00	1,831,922.23	798,365.47	1,364,712.30
Parkway Elementary School Renovations	10/02/18	400,000.00	11,439.17	79,936.47	308,624.36
Fischer Middle School and Ryan Annex Rehabilitation	10/02/18	12,225,000.00	3,619,871.10	2,443,058.31	6,162,070.59
Fischer Middle School Renovations	10/02/18	1,620,000.00	46,328.64	323,742.69	1,249,928.67
Ewing High School Rehabilitations	10/02/18	15,530,000.00	5,136,965.01	3,103,533.57	7,289,501.42
Ewing High School Renovations	10/02/18	6,637,000.00	189,804.44	1,326,346.80	5,120,848.76
2020 Books and Technology Equipment	07/31/19	1,000,000.00	985,676.87	14,323.13	
2021 Budget Accounting, HR, Payroll Software Package	11/17/20	200,000.00		187,934.00	12,066.00
2021 Books and Technology Equipment	07/28/20	1,000,000.00		1,000,000.00	
Ewing High School Field Renovation	07/01/19	1,870,034.00	1,757,602.70	24,296.58	88,134.72
District-Wide Electrical & Wireless Access Points	07/01/20	<u>1,025,000.00</u>			<u>1,025,000.00</u>
Total		<u>\$ 64,393,034.00</u>	<u>\$ 21,841,343.12</u>	<u>\$ 12,916,643.54</u>	<u>\$ 29,635,047.34</u>

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2021

Revenues and Other Financing Sources

State Sources--SDA Grant		
Bond Proceeds and Transfers		
Lease Proceeds		\$ 1,200,000.00
Transfer from Capital Reserve		1,025,000.00
Transfer from Capital Outlay		
		2,225,000.00
Total Revenues		2,225,000.00

Expenditures and Other Financing Uses

Textbooks	\$ 172,148.47	
Equipment	842,174.66	
Construction Services	11,053,281.16	
Purchased Professional and Technical Services	849,039.25	
Total Expenditures		12,916,643.54
Excess (Deficiency) of Revenues Over (Under) Expenditures		(10,691,643.54)
Fund Balance -- July 1		40,326,690.88
Fund Balance -- June 30		\$ 29,635,047.34

Note: For F-2 Exhibits, SDA Grant awards are recognized as revenue and encumbrances are not included in expenditures.

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Gusz Maintenance Building Rehabilitation
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 1,268,000.00		\$ 1,268,000.00	\$ 1,268,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	1,268,000.00	-	1,268,000.00	1,268,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	1,049,634.59	\$ 88,365.41	1,138,000.00	1,138,000.00
Purchased Professional and Technical Services	125,059.89	4,940.11	130,000.00	130,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	1,174,694.48	93,305.52	1,268,000.00	1,268,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 93,305.52	\$ (93,305.52)	-	-
Additional Project Information:				
Project Number	1430-X02-18-1000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 1,268,000.00			
Bonds Issued	\$ 1,268,000.00			
Original Authorized Cost	\$ 1,268,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 1,268,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	100%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	12/31/2020			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Antheil Elementary School Rehabilitation
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 11,157,000.00		\$ 11,157,000.00	\$ 11,157,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	11,157,000.00	-	11,157,000.00	11,157,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	4,212,367.14	\$ 2,100,309.52	6,312,676.66	10,384,254.34
Purchased Professional and Technical Services	578,427.24	129,318.42	707,745.66	772,745.66
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	4,790,794.38	2,229,627.94	7,020,422.32	11,157,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 6,366,205.62	\$ (2,229,627.94)	\$ 4,136,577.68	-
Encumbered			\$ 1,934,181.37	
Designated for Subsequent Years Expenditures			2,202,396.31	
			\$ 4,136,577.68	
Additional Project Information:				
Project Number	1430-140-18-2000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 11,157,000.00			
Bonds Issued	\$ 11,157,000.00			
Original Authorized Cost	\$ 11,157,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 11,157,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	63%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	12/31/2022			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Antheil Elementary School Renovations
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 400,000.00		\$ 400,000.00	\$ 400,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	400,000.00	-	400,000.00	400,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	6,915.00	\$ 74,940.44	81,855.44	375,000.00
Purchased Professional and Technical Services	11,439.17	4,996.03	16,435.20	25,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	18,354.17	79,936.47	98,290.64	400,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 381,645.83	\$ (79,936.47)	\$ 301,709.36	-
Encumbered			\$ 69,344.14	
Designated for Subsequent Years Expenditures			232,365.22	
			\$ 301,709.36	
Additional Project Information:				
Project Number	1430-140-18-1000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 400,000.00			
Bonds Issued	\$ 400,000.00			
Original Authorized Cost	\$ 400,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 400,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	25%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2023			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Lore Elementary School Rehabilitation
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 5,666,000.00		\$ 5,666,000.00	\$ 5,666,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	5,666,000.00	-	5,666,000.00	5,666,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	1,987,409.44	\$ 1,069,344.23	3,056,753.67	5,309,002.79
Purchased Professional and Technical Services	279,041.32	62,955.89	341,997.21	356,997.21
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	2,266,450.76	1,132,300.12	3,398,750.88	5,666,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 3,399,549.24	\$ (1,132,300.12)	\$ 2,267,249.12	-
Encumbered			\$ 982,259.72	
Designated for Subsequent Years Expenditures			1,284,989.40	
			\$ 2,267,249.12	
Additional Project Information:				
Project Number	1430-105-18-1000			
Grant Date	N/A			
Bond Authorization Date	10/2/18			
Bonds Authorized	\$ 5,666,000.00			
Bonds Issued	\$ 5,666,000.00			
Original Authorized Cost	\$ 5,666,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 5,666,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	60%			
Original Target Completion Date	8/31/2021			
Revised Target Completion Date	12/31/2022			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Lore Elementary School Renovations
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 400,000.00		\$ 400,000.00	\$ 400,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	400,000.00	-	400,000.00	400,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services		\$ 74,940.44	74,940.44	375,000.00
Purchased Professional and Technical Services	11,439.17	4,996.03	16,435.20	25,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	11,439.17	79,936.47	91,375.64	400,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 388,560.83	\$ (79,936.47)	\$ 308,624.36	-
Encumbered			\$ 69,344.14	
Designated for Subsequent Years Expenditures			239,280.22	
			\$ 308,624.36	
Additional Project Information:				
Project Number	1430-105-18-2000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 400,000.00			
Bonds Issued	\$ 400,000.00			
Original Authorized Cost	\$ 400,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 400,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	23%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2023			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Parkway Elementary School Rehabilitation
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 3,995,000.00		\$ 3,995,000.00	\$ 3,995,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	3,995,000.00	-	3,995,000.00	3,995,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	1,618,048.45	\$ 752,060.27	2,370,108.72	3,719,821.02
Purchased Professional and Technical Services	213,873.78	46,305.20	260,178.98	275,178.98
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	1,831,922.23	798,365.47	2,630,287.70	3,995,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 2,163,077.77	\$ (798,365.47)	\$ 1,364,712.30	-
Encumbered			\$ 692,574.58	
Designated for Subsequent Years Expenditures			672,137.72	
			\$ 1,364,712.30	

Additional Project Information:

Project Number	1430-130-18-1000
Grant Date	N/A
Bond Authorization Date	10/2/2018
Bonds Authorized	\$ 3,995,000.00
Bonds Issued	\$ 3,995,000.00
Original Authorized Cost	\$ 3,995,000.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 3,995,000.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	66%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	12/31/2022

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Parkway Elementary School Renovations
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 400,000.00		\$ 400,000.00	\$ 400,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	400,000.00	-	400,000.00	400,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services		\$ 74,940.44	74,940.44	375,000.00
Purchased Professional and Technical Services	11,439.17	4,996.03	16,435.20	25,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	11,439.17	79,936.47	91,375.64	400,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 388,560.83	\$ (79,936.47)	\$ 308,624.36	-
Encumbered			\$ 69,344.14	
Designated for Subsequent Years Expenditures			239,280.22	
			\$ 308,624.36	
Additional Project Information:				
Project Number	1430-130-18-2000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 400,000.00			
Bonds Issued	\$ 400,000.00			
Original Authorized Cost	\$ 400,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 400,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	23%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2023			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Fischer Middle School and Ryan Annex Rehabilitation
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 12,225,000.00		\$ 12,225,000.00	\$ 12,225,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	<u>12,225,000.00</u>	<u>-</u>	<u>12,225,000.00</u>	<u>12,225,000.00</u>
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	3,090,397.07	\$ 2,308,690.10	5,399,087.17	11,550,000.00
Purchased Professional and Technical Services	529,474.03	134,368.21	663,842.24	675,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	<u>3,619,871.10</u>	<u>2,443,058.31</u>	<u>6,062,929.41</u>	<u>12,225,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 8,605,128.90</u>	<u>\$ (2,443,058.31)</u>	<u>\$ 6,162,070.59</u>	<u>-</u>
Encumbered			\$ 2,119,330.22	
Designated for Subsequent Years Expenditures			<u>4,042,740.37</u>	
			<u>\$ 6,162,070.59</u>	

Additional Project Information:

Project Number	1430-060-18-2000
Grant Date	N/A
Bond Authorization Date	10/2/2018
Bonds Authorized	\$ 12,225,000.00
Bonds Issued	\$ 12,225,000.00
Original Authorized Cost	\$ 12,225,000.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 12,225,000.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	50%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	12/31/2022

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Fischer Middle School Renovations
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 1,620,000.00		\$ 1,620,000.00	\$ 1,620,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	1,620,000.00	-	1,620,000.00	1,620,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services		\$ 303,767.77	303,767.77	1,520,000.00
Purchased Professional and Technical Services	46,328.64	19,974.92	66,303.56	100,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	46,328.64	323,742.69	370,071.33	1,620,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,573,671.36	\$ (323,742.69)	\$ 1,249,928.67	-
Encumbered			\$ 280,843.76	
Designated for Subsequent Years Expenditures			969,084.91	
			\$ 1,249,928.67	
Additional Project Information:				
Project Number	1430-060-18-1000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 1,620,000.00			
Bonds Issued	\$ 1,620,000.00			
Original Authorized Cost	\$ 1,620,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 1,620,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	23%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2023			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Ewing High School Rehabilitations
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 15,530,000.00		\$ 15,530,000.00	\$ 15,530,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	<u>15,530,000.00</u>	<u>-</u>	<u>15,530,000.00</u>	<u>15,530,000.00</u>
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	4,438,066.90	\$ 2,933,770.29	7,371,837.19	14,661,338.61
Purchased Professional and Technical Services	698,898.11	169,763.28	868,661.39	868,661.39
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	<u>5,136,965.01</u>	<u>3,103,533.57</u>	<u>8,240,498.58</u>	<u>15,530,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 10,393,034.99</u>	<u>\$ (3,103,533.57)</u>	<u>\$ 7,289,501.42</u>	<u>-</u>
Encumbered			\$ 2,692,286.16	
Designated for Subsequent Years Expenditures			<u>4,597,215.26</u>	
			<u>\$ 7,289,501.42</u>	
Additional Project Information:				
Project Number	1430-050-18-1000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 15,530,000.00			
Bonds Issued	\$ 15,530,000.00			
Original Authorized Cost	\$ 15,530,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 15,530,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	53%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	12/31/2022			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Ewing High School Renovations
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 6,637,000.00		\$ 6,637,000.00	\$ 6,637,000.00
Lease Proceeds				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	6,637,000.00	-	6,637,000.00	6,637,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services		\$ 1,251,408.21	1,251,408.21	6,262,000.00
Purchased Professional and Technical Services	189,804.44	74,938.59	264,743.03	375,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	189,804.44	1,326,346.80	1,516,151.24	6,637,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 6,447,195.56	\$ (1,326,346.80)	\$ 5,120,848.76	-
Encumbered			\$ 1,150,592.60	
Designated for Subsequent Years Expenditures			3,970,256.16	
			\$ 5,120,848.76	
Additional Project Information:				
Project Number	1430-050-18-2000			
Grant Date	N/A			
Bond Authorization Date	10/2/2018			
Bonds Authorized	\$ 6,637,000.00			
Bonds Issued	\$ 6,637,000.00			
Original Authorized Cost	\$ 6,637,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 6,637,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	23%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2023			

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 2020 Books and Technology Equipment
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers				
Lease Proceeds	\$ 1,000,000.00		\$ 1,000,000.00	\$ 1,000,000.00
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	1,000,000.00	-	1,000,000.00	1,000,000.00
Expenditures and Other Financing Uses				
Textbooks	147,851.53	\$ 2,148.47	150,000.00	150,000.00
Equipment	837,825.34	12,174.66	850,000.00	850,000.00
Construction Services				
Purchased Professional and Technical Services				
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	985,676.87	14,323.13	1,000,000.00	1,000,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 14,323.13	\$ (14,323.13)	-	-
Designated for Subsequent Years Expenditures			-	

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,000,000.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,000,000.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	6/30/2021

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 2021 Budget Accounting, HR, Payroll Software Package
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers				
Lease Proceeds		\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	-	200,000.00	200,000.00	200,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services				
Purchased Professional and Technical Services		187,934.00	187,934.00	200,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	-	187,934.00	187,934.00	200,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	\$ 12,066.00	\$ 12,066.00	-
Designated for Subsequent Years Expenditures			\$ 12,066.00	

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 200,000.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 200,000.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	94%
Original Target Completion Date	9/30/2021
Revised Target Completion Date	9/30/2021

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 2021 Books and Technology Equipment
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers				
Lease Proceeds		\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	-	1,000,000.00	1,000,000.00	1,000,000.00
Expenditures and Other Financing Uses				
Textbooks		170,000.00	170,000.00	170,000.00
Equipment		830,000.00	830,000.00	830,000.00
Construction Services				
Purchased Professional and Technical Services				
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	-	1,000,000.00	1,000,000.00	1,000,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Additional Project Information:				
Project Number		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$ 1,000,000.00			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 1,000,000.00			
Percentage Increase over Original Authorized Cost		0%		
Percentage Completion		100%		
Original Target Completion Date		6/30/2021		
Revised Target Completion Date		6/30/2021		

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Ewing High School Field Renovation
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers				
Lease Proceeds				
Transfer from Capital Reserve	\$ 1,870,034.00		\$ 1,870,034.00	\$ 1,870,034.00
Transfer from Capital Outlay				
Total Revenues	<u>1,870,034.00</u>	<u>-</u>	<u>1,870,034.00</u>	<u>1,870,034.00</u>
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services	1,745,534.00	\$ 23,081.75	1,768,615.75	1,855,034.00
Purchased Professional and Technical Services	12,068.70	1,214.83	13,283.53	15,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	<u>1,757,602.70</u>	<u>24,296.58</u>	<u>1,781,899.28</u>	<u>1,870,034.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 112,431.30</u>	<u>\$ (24,296.58)</u>	<u>\$ 88,134.72</u>	<u>-</u>
Designated for Subsequent Years Expenditures			<u>\$ 88,134.72</u>	

Additional Project Information:

Project Number	1430-050-19-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,870,034.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,870,034.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	95%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	12/31/2021

TOWNSHIP OF EWING SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 District-Wide Electrical & Wireless Access Points
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers				
Lease Proceeds				
Transfer from Capital Reserve		\$ 1,025,000.00	\$ 1,025,000.00	\$ 1,025,000.00
Transfer from Capital Outlay				
Total Revenues	-	1,025,000.00	1,025,000.00	1,025,000.00
Expenditures and Other Financing Uses				
Textbooks				
Equipment				
Construction Services				820,000.00
Purchased Professional and Technical Services				205,000.00
Cancellation of Capital Project				
Transfer to General Fund				
Total Expenditures	-	-	-	1,025,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	\$ 1,025,000.00	\$ 1,025,000.00	-
Designated for Subsequent Years Expenditures			<u>\$ 1,025,000.00</u>	

Additional Project Information:

Project Number	1430-050-19-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,025,000.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,025,000.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	
Original Target Completion Date	12/31/2021
Revised Target Completion Date	12/31/2021

PROPRIETARY FUNDS

TOWNSHIP OF EWING SCHOOL DISTRICT
 Proprietary Funds
 Business Type Activities - Enterprise Funds
 Combining Statement of Net Position
 June 30, 2021

	<u>Food Service</u>	<u>Extended Day Program</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 726,164.66	\$ 151,446.58	\$ 877,611.24
Accounts Receivable:			
State	4,309.50		4,309.50
Federal	166,372.91		166,372.91
Other	7,072.93	24,736.52	31,809.45
Inventories	51,554.56		51,554.56
Total Current Assets	<u>955,474.56</u>	<u>176,183.10</u>	<u>1,131,657.66</u>
Noncurrent Assets:			
Capital Assets:			
Furniture, Fixtures and Equipment	820,771.04		820,771.04
Less Accumulated Depreciation	(696,365.35)		(696,365.35)
Total Noncurrent Assets	<u>124,405.69</u>	<u>-</u>	<u>124,405.69</u>
Total Assets	<u>1,079,880.25</u>	<u>176,183.10</u>	<u>1,256,063.35</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	2,912.78		2,912.78
Compensated Absences Payable	11,223.40		11,223.40
Interfund Accounts Payable:			
Due General Fund	1,224,931.19		1,224,931.19
Unearned Revenue	27,051.37		27,051.37
Total Current Liabilities	<u>1,266,118.74</u>	<u>-</u>	<u>1,266,118.74</u>
Noncurrent Liabilities:			
Compensated Absences Payable	44,893.60		44,893.60
Total Liabilities	<u>1,311,012.34</u>	<u>-</u>	<u>1,311,012.34</u>
NET POSITION:			
Net Investment in Capital Assets	124,405.69		124,405.69
Unrestricted (Deficit)	(355,537.78)	176,183.10	(179,354.68)
Total Net Position (Deficit)	<u>\$ (231,132.09)</u>	<u>\$ 176,183.10</u>	<u>\$ (54,948.99)</u>

TOWNSHIP OF EWING SCHOOL DISTRICT
 Proprietary Funds
 Business Type Activities - Enterprise Funds
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Extended Day Program</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs:			
School Lunch Program	\$ 125,612.11		\$ 125,612.11
School Breakfast Program	43,348.72		43,348.72
Miscellaneous	962.43		962.43
Extended Day Program Fees		\$ 55,017.92	55,017.92
Special Functions	49.07		49.07
Total Operating Revenues	<u>169,972.33</u>	<u>55,017.92</u>	<u>224,990.25</u>
OPERATING EXPENSES:			
Salaries	558,721.40	141,357.01	700,078.41
Employee Benefits	272,019.48	40,013.18	312,032.66
General Supplies	26,040.77	1,189.30	27,230.07
Depreciation	21,646.43		21,646.43
Purchased Property Services		25,000.00	25,000.00
Cost of Sales - Reimbursable Programs	195,376.19		195,376.19
Miscellaneous	24,056.68	6,136.00	30,192.68
Total Operating Expenses	<u>1,097,860.95</u>	<u>213,695.49</u>	<u>1,311,556.44</u>
Operating Income / (Loss)	<u>(927,888.62)</u>	<u>(158,677.57)</u>	<u>(1,086,566.19)</u>
NONOPERATING REVENUES (EXPENSES):			
State Sources:			
State School Lunch Program	17,015.58		17,015.58
Federal Sources:			
National School Lunch Program	262,843.20		262,843.20
National School Breakfast Program	95,286.12		95,286.12
P-EBT Administrative Cost	3,063.00		3,063.00
Emergency Operational Cost Program	83,901.75		83,901.75
Food Distribution Program	65,522.46		65,522.46
Interest Revenue	5,757.60		5,757.60
Total Nonoperating Revenues (Expenses)	<u>533,389.71</u>	<u>-</u>	<u>533,389.71</u>
Change in Net Position	(394,498.91)	(158,677.57)	(553,176.48)
Net Position -- Beginning	<u>163,366.82</u>	<u>334,860.67</u>	<u>498,227.49</u>
Net Position (Deficit) -- Ending	<u>\$ (231,132.09)</u>	<u>\$ 176,183.10</u>	<u>\$ (54,948.99)</u>

TOWNSHIP OF EWING SCHOOL DISTRICT
 Proprietary Funds
 Business Type Activities - Enterprise Funds
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Extended Day Program</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 168,488.89	\$ 36,360.10	\$ 204,848.99
Payments to Employees	(550,497.71)	(141,357.01)	(691,854.72)
Payments for Employee Benefits	(272,019.48)	(40,013.18)	(312,032.66)
Payments for Supplies and Services	(232,973.44)	(32,325.30)	(265,298.74)
Net Cash Provided by (used for) Operating Activities	<u>(887,001.74)</u>	<u>(177,335.39)</u>	<u>(1,064,337.13)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
State Sources	12,983.28		12,983.28
Federal Sources	373,037.62		373,037.62
Operating Subsidies and Transfers to Other Funds	468,709.06		468,709.06
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>854,729.96</u>	<u>-</u>	<u>854,729.96</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	(5,897.64)	-	(5,897.64)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Revenue	5,757.60	-	5,757.60
Net Increase (Decrease) in Cash and Cash Equivalents	(32,411.82)	(177,335.39)	(209,747.21)
Cash and Cash Equivalents -- July 1	758,576.48	328,781.97	1,087,358.45
Cash and Cash Equivalents -- June 30	<u>\$ 726,164.66</u>	<u>\$ 151,446.58</u>	<u>\$ 877,611.24</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (927,888.62)	\$ (158,677.57)	\$ (1,086,566.19)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	21,646.43		21,646.43
(Increase) Decrease in Accounts Receivable	911.73	(18,657.82)	(17,746.09)
(Increase) Decrease in Inventories	9,587.42		9,587.42
Increase (Decrease) in Accounts Payable	2,912.78		2,912.78
Increase (Decrease) in Unearned Revenue	(2,395.17)		(2,395.17)
Increase (Decrease) in Accrued Salaries Benefits	8,223.69		8,223.69
Total Adjustments	<u>40,886.88</u>	<u>(18,657.82)</u>	<u>22,229.06</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (887,001.74)</u>	<u>\$ (177,335.39)</u>	<u>\$ (1,064,337.13)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Food Distribution Program	<u>\$ 65,522.46</u>	<u>-</u>	<u>\$ 65,522.46</u>

LONG-TERM DEBT

TOWNSHIP OF EWING SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2020</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2021</u>
			<u>Date</u>	<u>Amount</u>					
School District									
Bonds--Series 2018	11/27/2018	\$ 59,298,000.00	7/15/2021	\$ 2,163,000.00	3.000%				
			7/15/2022	2,230,000.00	3.000%				
			7/15/2023	2,300,000.00	3.000%				
			7/15/2024	2,365,000.00	3.000%				
			7/15/2025	2,440,000.00	3.000%				
			7/15/2026	2,515,000.00	3.000%				
			7/15/2027	2,600,000.00	3.000%				
			7/15/2028	2,690,000.00	3.000%				
			7/15/2029	2,790,000.00	3.000%				
			7/15/2030	2,905,000.00	3.000%				
			7/15/2031	3,025,000.00	3.000%				
			7/15/2032	3,150,000.00	3.125%				
			7/15/2033	3,275,000.00	4.000%				
			7/15/2034	3,410,000.00	4.000%				
			7/15/2035	3,550,000.00	4.000%				
			7/15/2036	3,700,000.00	4.000%				
			7/15/2037	3,860,000.00	4.000%				
			7/15/2038	4,030,000.00	4.000%				
			7/15/2039	4,200,000.00	4.000%				
						<u>\$ 59,298,000.00</u>		<u>\$ 2,100,000.00</u>	<u>\$ 57,198,000.00</u>
						<u>\$ 59,298,000.00</u>	<u>-</u>	<u>\$ 2,100,000.00</u>	<u>\$ 57,198,000.00</u>

TOWNSHIP OF EWING SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2021

<u>Series</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2020 (a)</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2021 (a)</u>
			<u>Principal</u>	<u>Interest</u>					
Books and Technology Equipment	08/15/16	60 Months	\$ 1,000,000.00	\$ 27,311.80	1.280%	\$ 182,719.49		\$ 182,719.49	
Books and Technology Equipment	06/16/17	60 Months	1,000,000.00	39,161.45	1.680%	394,692.76		201,034.27	\$ 193,658.49
Books and Technology Equipment	08/21/18	60 Months	1,000,000.00	64,087.29	2.960%	616,000.00		198,000.00	418,000.00
Books and Technology Equipment	07/31/19	60 Months	1,000,000.00	43,834.05	1.975%	806,000.00		191,000.00	615,000.00
Books and Technology Equipment	07/28/20	60 Months	1,000,000.00	22,644.00	1.020%		\$ 1,000,000.00	191,958.20	808,041.80
Budget, Accounting, HR & Payroll Software	11/17/20	60 Months	200,000.00	8,426.78	1.490%		200,000.00	40,000.00	160,000.00
						<u>\$ 1,999,412.25</u>	<u>\$ 1,200,000.00</u>	<u>\$ 1,004,711.96</u>	<u>\$ 2,194,700.29</u>

(a) Future Interest Payments Removed from Carrying Value of Leases.

TOWNSHIP OF EWING SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,856,723.00		\$ 2,856,723.00	\$ 2,856,723.00	
State Sources:					
Debt Service Aid Type II	1,286,246.00		1,286,246.00	1,286,246.00	
Total Revenues	<u>4,142,969.00</u>	<u>-</u>	<u>4,142,969.00</u>	<u>4,142,969.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	2,042,971.00		2,042,971.00	2,042,971.00	
Redemption of Principal	2,100,000.00		2,100,000.00	2,100,000.00	
Total Regular Debt Service	<u>4,142,971.00</u>	<u>-</u>	<u>4,142,971.00</u>	<u>4,142,971.00</u>	<u>-</u>
Total Expenditures	<u>4,142,971.00</u>	<u>-</u>	<u>4,142,971.00</u>	<u>4,142,971.00</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2.00)	-	(2.00)	(2.00)	-
Fund Balance, July 1	<u>2.13</u>	<u>-</u>	<u>2.13</u>	<u>2.13</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 0.13</u>	<u>-</u>	<u>\$ 0.13</u>	<u>\$ 0.13</u>	<u>-</u>

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities:										
Net Investment in Capital Assets	\$ 20,970,604.13	\$ 20,565,306.74	\$ 18,299,300.38	\$ 18,519,466.54	\$ 16,422,445.80	\$ 13,779,875.00	\$ 9,204,333.00	\$ 6,698,143.00		
Restricted	13,398,038.07	8,903,592.96	7,990,254.49	7,818,739.70	8,149,423.52	1,200,000.00	2,000,000.00	5,835,442.00	\$ 4,275,850.00	\$ 1,006,547.00
Unrestricted (Deficit)	<u>(22,071,011.66)</u>	<u>(24,419,490.08)</u>	<u>(24,641,288.95)</u>	<u>(23,254,172.56)</u>	<u>(22,829,532.57)</u>	<u>(13,239,649.00)</u>	<u>(13,298,339.00)</u>		<u>932,933.00</u>	<u>(594,731.00)</u>
Total Governmental Activities Net Position	<u>\$ 12,297,630.54</u>	<u>\$ 5,049,409.62</u>	<u>\$ 1,648,265.92</u>	<u>\$ 3,084,033.68</u>	<u>\$ 1,742,336.75</u>	<u>\$ 1,740,226.00</u>	<u>\$ (2,094,006.00)</u>	<u>\$ 12,533,585.00</u>	<u>\$ 5,208,783.00</u>	<u>\$ 411,816.00</u>
Business-type Activities:										
Net Investment in Capital Assets	\$ 124,405.69	\$ 140,154.48	\$ 157,898.85	\$ 115,657.43	\$ 129,541.17	\$ 32,617.00	\$ 40,783.00	\$ 48,949.00	\$ 57,116.00	\$ 65,282.00
Unrestricted (Deficit)	<u>(179,354.68)</u>	<u>358,073.01</u>	<u>493,450.50</u>	<u>690,208.71</u>	<u>599,880.26</u>	<u>626,571.00</u>	<u>567,463.00</u>	<u>568,327.00</u>	<u>589,317.00</u>	<u>604,710.00</u>
Total Business-type Activities Net Position	<u>\$ (54,948.99)</u>	<u>\$ 498,227.49</u>	<u>\$ 651,349.35</u>	<u>\$ 805,866.14</u>	<u>\$ 729,421.43</u>	<u>\$ 659,188.00</u>	<u>\$ 608,246.00</u>	<u>\$ 617,276.00</u>	<u>\$ 646,433.00</u>	<u>\$ 669,992.00</u>
Government-wide:										
Net Investment in Capital Assets	\$ 21,095,009.82	\$ 20,705,461.22	\$ 18,457,199.23	\$ 18,635,123.97	\$ 16,551,986.97	\$ 13,812,492.00	\$ 9,245,116.00	\$ 6,747,092.00	\$ 57,116.00	\$ 65,282.00
Restricted	13,398,038.07	8,903,592.96	7,990,254.49	7,818,739.70	8,149,423.52	1,200,000.00	2,000,000.00	5,835,442.00	4,275,850.00	1,006,547.00
Unrestricted (Deficit)	<u>(22,250,366.34)</u>	<u>(24,061,417.07)</u>	<u>(24,147,838.45)</u>	<u>(22,563,963.85)</u>	<u>(22,229,652.31)</u>	<u>(12,613,078.00)</u>	<u>(12,730,876.00)</u>	<u>568,327.00</u>	<u>1,522,250.00</u>	<u>9,979.00</u>
Total Government-wide Net Position	<u>\$ 12,242,681.55</u>	<u>\$ 5,547,637.11</u>	<u>\$ 2,299,615.27</u>	<u>\$ 3,889,899.82</u>	<u>\$ 2,471,758.18</u>	<u>\$ 2,399,414.00</u>	<u>\$ (1,485,760.00)</u>	<u>\$ 13,150,861.00</u>	<u>\$ 5,855,216.00</u>	<u>\$ 1,081,808.00</u>

Source: Exhibit A-1

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (Accrual Basis of Accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
<u>Governmental Activities:</u>										
Instruction:										
Regular	\$ 19,874,923.87	\$ 19,531,442.82	\$ 19,298,852.17	\$ 19,161,540.98	\$ 19,247,275.42	\$ 29,594,691.00	\$ 28,614,181.00	\$ 17,432,938.00	\$ 16,797,803.00	\$ 16,356,341.00
Special Education	9,094,956.81	8,037,889.79	7,546,910.27	7,160,809.58	7,363,414.45	12,492,683.00	14,705,398.00	6,783,776.00	6,969,491.00	7,481,011.00
Other Special Education	1,410,163.54	1,429,747.24	1,391,914.03	1,332,896.88	1,058,963.80	1,796,684.00	1,688,142.00	694,056.00	833,549.00	242,258.00
Other Instruction	887,876.77	1,248,199.89	1,193,531.88	1,148,178.87	1,079,915.83	1,911,934.00	1,480,327.00	1,139,887.00	1,093,080.00	857,568.00
Tuition	5,451,482.28	5,560,435.32	5,540,695.28	4,316,394.66	4,228,075.80	2,845,481.00	3,038,641.00	3,447,172.00	3,223,710.00	2,940,463.00
Support Services:										
Student & Instruction Related Services	7,759,367.78	7,656,833.65	7,505,075.41	7,275,141.44	6,785,233.66	7,530,795.00	6,887,001.00	4,660,866.00	3,719,462.00	4,378,773.00
School Administrative Services	2,705,460.10	2,660,688.14	2,805,139.60	2,675,262.16	2,481,993.01	1,088,153.00	1,006,676.00	569,836.00	592,130.00	671,631.00
General and Business Administrative Services	1,867,484.09	1,747,458.01	1,794,081.41	1,618,095.44	1,956,228.55	5,632,690.00	5,315,632.00	3,234,576.00	3,370,060.00	3,198,545.00
Plant Operations and Maintenance	6,198,241.74	5,694,306.08	6,506,924.70	5,372,367.24	5,647,527.78	9,770,323.00	8,870,383.00	5,401,311.00	4,978,039.00	4,816,906.00
Pupil Transportation	3,699,938.01	4,300,048.58	4,855,088.93	4,554,930.81	4,403,433.03	6,548,896.00	3,539,379.00	3,334,579.00	3,138,467.00	3,010,490.00
Unallocated Benefits	33,604,105.35	29,998,420.56	29,795,137.47	37,448,170.94	32,626,432.55			17,695,312.00	17,322,783.00	16,514,085.00
Reimbursed TPAF and Social Security	2,203,581.42	2,127,442.79	2,141,184.88	2,104,462.58	4,628,408.22					
Transfer to Charter Schools	897,495.50	787,729.00	606,002.00	462,579.00	395,709.00	133,496.00	103,445.00	76,411.00	10,000.00	9,583.00
Interest on Long-term Debt	1,963,476.50	2,218,131.33	1,306,723.92	252,983.77	367,535.95	512,476.00	667,803.00	604,727.00	1,276,769.00	1,694,287.00
Attendance and Social Work Services			962,040.30			464,211.00	461,648.00	263,362.00	194,921.00	192,438.00
Health Services						1,287,144.00	1,286,907.00	934,761.00	820,421.00	696,547.00
Educational Media Services/School Library						785,462.00	781,952.00	468,091.00	470,763.00	445,647.00
Instructional Staff Training						45,423.00	81,440.00	33,021.00	37,934.00	8,380.00
Scholarships Awarded										1,000.00
Increase/Decrease in Compensated Absences								(101,068.00)	524,125.00	49,386.00
Unallocated Depreciation								1,250,575.00	1,196,951.00	1,811,020.00
Amortization of Bond Issuance Costs										24,443.00
Amortization of loss on early retirement of debt										126,336.00
Total Governmental Activities Expenses	97,618,553.76	92,998,773.20	93,249,302.25	94,883,814.35	92,270,147.05	82,440,542.00	78,528,955.00	67,924,189.00	66,570,458.00	65,527,138.00
<u>Business-type Activities:</u>										
Food Service	1,097,860.95	1,473,383.68	1,697,209.42	1,641,013.10	1,690,873.15	1,651,758.00	1,625,960.00	1,634,596.00	1,569,486.00	1,627,112.00
Childcare Program	213,695.49	329,053.86	575,862.65	537,497.08	499,080.74	468,578.00	511,219.00	497,744.00	491,246.00	397,301.00
Total Business-type Activities Expense	1,311,556.44	1,802,437.54	2,273,072.07	2,178,510.18	2,189,953.89	2,120,336.00	2,137,179.00	2,132,340.00	2,060,732.00	2,024,413.00
Total Government Expenses	\$ 98,930,110.20	\$ 94,801,210.74	\$ 95,522,374.32	\$ 97,062,324.53	\$ 94,460,100.94	\$ 84,560,878.00	\$ 80,666,134.00	\$ 70,056,529.00	\$ 68,631,190.00	\$ 67,551,551.00
<u>Program Revenues:</u>										
<u>Governmental Activities:</u>										
Operating Grants and Contributions	\$ 26,329,794.19	\$ 20,138,883.71	\$ 19,896,037.86	\$ 25,988,374.70	\$ 22,573,180.33	\$ 2,351,513.00	\$ 1,007,197.00	\$ 2,474,251.00	\$ 2,335,362.00	\$ 798,994.00
Charges for Services	234,500.66	621,976.09	555,634.24	812,223.62	499,708.57	541,016.00	1,723,643.00	414,160.00	432,519.00	365,973.00
Total Governmental Activities Program Revenues	26,564,294.85	20,760,859.80	20,451,672.10	26,800,598.32	23,072,888.90	2,892,529.00	2,730,840.00	2,888,411.00	2,767,881.00	1,164,967.00
<u>Business-type activities:</u>										
Charges for Services										
Food Service	169,972.33	443,779.40	669,982.79	714,722.66	709,808.13	727,774.00	727,117.00	748,421.00	760,755.00	820,410.00
Childcare Program	55,017.92	377,821.11	492,452.61	593,697.38	547,791.06	511,978.00	502,889.00	505,908.00	465,442.00	479,653.00
Capital Grants and Contributions				3,848.00						
Operating Grants and Contributions	527,632.11	827,715.17	971,434.56	942,686.88	936,609.94	931,527.00	898,142.00	848,854.00	810,976.00	745,291.00
Total Business-type Activities Program Revenues	752,622.36	1,649,315.68	2,133,869.96	2,254,954.92	2,194,209.13	2,171,279.00	2,128,148.00	2,103,183.00	2,037,173.00	2,045,354.00
Total Government Program Revenues	\$ 27,316,917.21	\$ 22,410,175.48	\$ 22,585,542.06	\$ 29,055,553.24	\$ 25,267,098.03	\$ 5,063,808.00	\$ 4,858,988.00	\$ 4,991,594.00	\$ 4,805,054.00	\$ 3,210,321.00

(Continued)

TOWNSHIP OF EWING SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net (Expense)/Revenue:										
Governmental Activities	\$ (71,054,258.91)	\$ (72,237,913.40)	\$ (72,797,630.15)	\$ (68,083,216.03)	\$ (69,197,258.15)	\$ (79,548,013.00)	\$ (75,798,115.00)	\$ (65,035,778.00)	\$ (63,802,577.00)	\$ (64,362,171.00)
Business-type Activities	(558,934.08)	(153,121.86)	(139,202.11)	76,444.74	4,255.24	50,943.00	(9,031.00)	(29,157.00)	(23,559.00)	20,941.00
Total Government-wide Net Expense	\$ (71,613,192.99)	\$ (72,391,035.26)	\$ (72,936,832.26)	\$ (68,006,771.29)	\$ (69,193,002.91)	\$ (79,497,070.00)	\$ (75,807,146.00)	\$ (65,064,935.00)	\$ (63,826,136.00)	\$ (64,341,230.00)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 59,226,666.00	\$ 57,120,255.00	\$ 56,000,250.00	\$ 55,126,410.00	\$ 52,351,315.00	\$ 51,324,819.00	\$ 49,732,963.00	\$ 48,519,964.00	\$ 47,568,592.00	\$ 46,827,872.00
Taxes Levied for Debt Service	2,856,723.00	3,072,965.00	1,527,372.00	2,643,057.00	5,819,006.00	5,870,676.00	6,016,278.00	5,998,737.00	5,879,200.00	5,853,103.00
Federal & State Aid Not Restricted	14,457,347.83	14,014,066.33	12,801,888.87	10,966,866.01	24,791,630.00	22,107,803.00	14,862,161.00	15,968,332.00	15,802,598.00	14,268,387.00
Federal & State Aid Restricted	651,975.74	279,492.12		410,771.74						
Miscellaneous income	892,969.88	1,152,278.65	1,119,446.28	277,808.21	210,933.00	273,227.00	229,701.00	261,910.00	289,556.00	420,747.00
Operating Transfers In / Out			(87,094.76)							
Donated Fixed Assets					(235,922.00)	(1,823,185.00)		(609,260.00)	791,195.00	244,637.00
Grant Proceeds - Restricted								(791,699.00)	359,516.00	294,324.00
Special and Extraordinary items, net					445,283.00	(62,846.00)		(10,796,318.00)		
Total Governmental Activities	78,085,682.45	75,639,057.10	71,361,862.39	69,424,912.96	83,382,245.00	77,690,494.00	70,841,103.00	58,551,666.00	70,690,657.00	67,909,070.00
Business-type Activities:										
Miscellaneous income	5,757.60		10,140.62							
Total Government-wide	\$ 78,091,440.05	\$ 75,639,057.10	\$ 71,372,003.01	\$ 69,424,912.96	\$ 83,382,245.00	\$ 77,690,494.00	\$ 70,841,103.00	\$ 58,551,666.00	\$ 70,690,657.00	\$ 67,909,070.00
Change in Net Position:										
Governmental Activities	\$ 7,031,423.54	\$ 3,401,143.70	\$ (1,435,767.76)	\$ 1,341,696.93	\$ 14,184,986.85	\$ (1,857,519.00)	\$ (4,957,012.00)	\$ (6,484,112.00)	\$ 6,888,080.00	\$ 3,546,899.00
Business-type Activities	(553,176.48)	(153,121.86)	(129,061.49)	76,444.74	4,255.24	50,943.00	(9,031.00)	(29,157.00)	(23,559.00)	20,941.00
Total Government	\$ 6,478,247.06	\$ 3,248,021.84	\$ (1,564,829.25)	\$ 1,418,141.67	\$ 14,189,242.09	\$ (1,806,576.00)	\$ (4,966,043.00)	\$ (6,513,269.00)	\$ 6,864,521.00	\$ 3,567,840.00

Source: Exhibit A-2

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2018, the School District adopted GASBS No. 75, which required the School District to recognize a revenue and expense on the government-wide statement of activities for the State's proportionate share of the postemployment expense associated with the School District. Revenues and expenses prior to June 30, 2018 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

TOWNSHIP OF EWING SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:										
Restricted	\$ 12,125,980.10	\$ 8,776,838.53	\$ 7,932,098.56	\$ 7,787,846.98	\$ 6,997,184.75	\$ 6,780,695.00	\$ 6,408,594.00	\$ 6,704,498.00	\$ 6,664,205.00	\$ 6,627,106.00
Assigned	1,689,357.95	347,625.88	230,211.38	128,719.72	58,439.11	105,747.00	227,512.00	258,084.00	91,659.00	88,975.00
Unassigned	<u>2,060,498.53</u>	<u>914,839.29</u>	<u>758,932.03</u>	<u>744,409.20</u>	<u>604,004.14</u>	<u>409,763.00</u>	<u>446,595.00</u>	<u>377,686.00</u>	<u>1,191,034.00</u>	<u>109,118.00</u>
Total General Fund	<u>\$ 15,875,836.58</u>	<u>\$ 10,039,303.70</u>	<u>\$ 8,921,241.97</u>	<u>\$ 8,660,975.90</u>	<u>\$ 7,659,628.00</u>	<u>\$ 7,296,205.00</u>	<u>\$ 7,082,701.00</u>	<u>\$ 7,340,268.00</u>	<u>\$ 7,946,898.00</u>	<u>\$ 6,825,199.00</u>
All Other Governmental Funds:										
Unassigned, Reported in:										
Capital Projects Fund	\$ 29,635,047.34	\$ 40,326,690.88	\$ 57,618,231.10	\$ 30,892.72	\$ 1,152,238.77	\$ 41,673.00	\$ 1,897.00	\$ 145,931.00	\$ 226,616.00	\$ 937,719.00
Special Revenue Fund	146,857.25				0.93					
Debt Service Fund	0.13	2.13	1.53	1.43		209,286.00	235,708.00	238,865.00	3,161.00	5.00
Permanent Fund										<u>7,528.00</u>
Total All Other Governmental Funds	<u>\$ 29,781,904.72</u>	<u>\$ 40,326,693.01</u>	<u>\$ 57,618,232.63</u>	<u>\$ 30,894.15</u>	<u>\$ 1,152,239.70</u>	<u>\$ 250,959.00</u>	<u>\$ 237,605.00</u>	<u>\$ 384,796.00</u>	<u>\$ 229,777.00</u>	<u>\$ 945,252.00</u>
Total District	<u>\$ 45,657,741.30</u>	<u>\$ 50,365,996.71</u>	<u>\$ 66,539,474.60</u>	<u>\$ 8,691,870.05</u>	<u>\$ 8,811,867.70</u>	<u>\$ 7,547,164.00</u>	<u>\$ 7,320,306.00</u>	<u>\$ 7,725,064.00</u>	<u>\$ 8,176,675.00</u>	<u>\$ 7,770,451.00</u>

Source: Exhibit B-1

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Tax Levy	\$ 62,083,389.00	\$ 60,193,220.00	\$ 57,527,622.00	\$ 57,769,467.00	\$ 58,962,416.00	\$ 58,170,321.00	\$ 57,195,495.00	\$ 55,749,241.00	\$ 54,518,701.00	\$ 53,447,792.00
Miscellaneous	1,254,142.39	1,800,974.57	1,726,836.62	1,145,213.67	1,445,802.27	829,344.00	716,268.41	672,266.00	694,428.00	655,529.00
State Sources	28,208,065.24	24,805,189.79	22,671,138.88	20,136,901.83	18,729,178.22	17,336,014.00	16,643,548.93	15,662,411.00	16,694,973.00	14,191,605.00
Federal Sources	3,050,203.67	1,891,050.54	1,974,727.75	1,869,106.78	2,129,697.41	1,645,052.00	1,930,760.00	1,645,596.00	1,608,722.00	2,409,987.00
Total Revenue	94,595,800.30	88,690,434.90	83,900,325.25	80,920,689.28	81,267,093.90	77,980,731.00	76,486,072.34	73,729,514.00	73,516,824.00	70,704,913.00
Expenditures:										
Instruction										
Regular Instruction	19,272,722.16	19,162,134.05	18,951,493.99	19,005,237.07	19,020,845.35	18,610,342.00	18,232,518.00	18,029,203.00	17,884,453.00	19,109,145.00
Special Education Instruction	8,724,978.33	7,807,307.24	7,343,404.20	7,043,818.88	7,216,543.29	7,598,871.00	7,921,433.00	6,731,844.00	6,976,947.00	5,970,744.00
Other Special Instruction	1,374,417.69	1,391,570.86	1,358,398.37	1,301,851.80	1,037,153.17	1,092,861.00	1,030,100.00	688,743.00	834,323.00	242,258.00
Other Instruction	865,370.22	1,214,871.09	1,164,793.03	1,121,436.14	1,057,673.67	1,162,964.00	1,171,124.00	1,131,161.00	1,094,095.00	857,568.00
Tuition	5,451,482.28	5,560,435.32	5,540,695.28	4,316,394.66	4,228,075.68	2,845,481.00	3,038,641.00	3,447,172.00	3,223,710.00	2,940,463.00
Support Services:										
Student & Instruction Related Services	7,559,981.04	7,452,384.78	7,324,362.01	7,105,692.99	6,645,483.65	4,580,724.00	4,298,312.00	4,660,866.00	4,191,013.00	4,378,773.00
School Administrative Services	2,636,880.13	2,589,643.80	2,739,806.67	2,612,951.48	2,430,873.39	2,232,575.00	2,208,073.00	2,269,071.00	2,116,169.00	2,015,644.00
Other Administrative Services	2,407,692.02	2,276,927.80	3,250,462.35	2,047,236.97	2,192,175.58	3,426,172.00	3,243,585.00	3,234,576.00	3,370,060.00	3,198,545.00
Plant Operation & Maintenance	6,257,778.45	5,734,303.62	6,542,845.34	5,402,846.89	5,639,612.88	5,562,786.00	5,412,684.00	5,401,311.00	4,987,039.00	4,816,906.00
Pupil Transportation	3,606,149.29	4,185,230.87	4,738,184.09	4,448,839.96	4,312,739.06	3,983,469.00	3,539,379.00	3,334,579.00	3,138,467.00	3,010,490.00
Unallocated Benefits	13,340,570.35	13,269,672.56	12,966,171.47	13,182,712.94	12,605,546.55	12,053,310.53	11,575,223.10	11,288,424.46	10,846,202.84	10,791,551.58
Reimbursed TPAF Pension and Social Security	12,671,803.42	10,286,592.79	10,009,512.88	8,912,876.58	7,705,950.22	6,758,114.47	5,758,929.90	4,975,287.54	5,392,580.16	4,342,533.42
Transfer To Charter School	897,495.50	787,729.00	606,002.00	462,579.00	395,709.00	133,496.00	103,445.00	76,411.00	10,000.00	9,583.00
Debt Service:										
Principal	2,100,000.00	1,520,000.00	1,485,000.00	2,985,000.00	6,555,000.00	6,325,000.00	6,170,000.00	5,990,000.00	5,375,000.00	5,035,000.00
Interest and Other Charges	2,042,971.00	2,245,317.40	42,371.90	75,057.50	156,517.73	279,685.00	425,405.00	589,673.00	1,420,244.00	1,643,192.00
Capital Outlay	11,510,561.21	20,379,789.03	3,162,162.66	1,016,154.07	802,490.42	2,553,306.00	3,199,132.00	2,832,803.00	2,951,070.00	2,348,665.00
Total Expenditures	100,720,853.09	105,863,910.21	87,225,666.24	81,040,686.93	82,002,389.64	79,199,157.00	77,327,984.00	74,681,125.00	73,811,373.00	70,711,061.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,125,052.79)	(17,173,475.31)	(3,325,340.99)	(119,997.65)	(735,295.74)	(1,218,426.00)	(841,911.66)	(951,611.00)	(294,549.00)	(6,148.00)
Other Financing Sources (Uses):										
PY Revenue/Charges, Net						445,283.00	(62,846.00)			
Grant Proceeds									(791,699.00)	359,516.00
Leases Proceeds	1,200,000.00	1,000,000.00	1,000,000.00		2,000,000.00	1,000,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Cancellation of Lease Payable		(2.58)			(2,000,000.00)					
Adjustments to Correct Balances										74,373.00
Transfers to Unemployment			(87,094.76)							
Proceeds from Issuance of Bonds			59,298,000.00							
Premium from Issuance of Bonds			962,040.30							
Total Other Financing Sources (Uses)	1,200,000.00	999,997.42	61,172,945.54	-	-	1,445,283.00	437,154.00	500,000.00	(291,699.00)	933,889.00
Net Change in Fund Balances	\$ (4,925,052.79)	\$ (16,173,477.89)	\$ 57,847,604.55	\$ (119,997.65)	\$ (735,295.74)	\$ 226,857.00	\$ (404,757.66)	\$ (451,611.00)	\$ (586,248.00)	\$ 927,741.00
Debt Service as a Percentage of Noncapital Expenditures	4.64%	4.40%	1.82%	3.82%	8.27%	8.62%	8.90%	9.16%	9.59%	9.77%

Source: Exhibit B-2

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

TOWNSHIP OF EWING SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Various Refunds	\$ 25,797.11	\$ 60,485.78			\$ 631,173.41					
Sale of Assets and Textbooks	559.00	100.00		\$ 3,296.00	924.00					
Rental of School Facilities		25,000.00	\$ 25,000.00	25,000.00	1,625.00					\$ 1,645.00
Refunds of Prior Year Expenditures		39,551.76	39,335.76	38,388.39	65,519.50					
Tuition		5,000.00			499,708.57	\$ 541,016.00	\$ 438,927.00	\$ 414,160.00	\$ 414,186.00	365,973.00
Other	56,734.80	85,794.36	8,127.93	51,510.69	95,276.01	210,912.00	212,827.00	187,865.00	261,910.00	246,819.00
Preschool Fees			108,005.63	57,452.51	81,975.00					
E-Rate Program	26,386.05									
Transportation Services				1,970.94					18,333.00	
Cancellation of PY Checks			1,130.73							
NJ Clean Energy Program	453,972.00									
Interest on Investments	217,021.96	825,836.96	846,161.14	653.38	1,242.02					
Total Miscellaneous Revenues	\$ 780,470.92	\$ 1,041,768.86	\$ 1,027,761.19	\$ 178,271.91	\$ 1,377,443.51	\$ 751,928.00	\$ 651,754.00	\$ 602,025.00	\$ 694,429.00	\$ 614,437.00

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
Unaudited

Year Ended <u>Dec. 31</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	Total Assessed <u>Value</u>	Public <u>Utilities (1)</u>	Net Valuation <u>Taxable</u>	Tax-Exempt <u>Property</u>	Estimated Actual (County Equalized) <u>Value</u>	Total Direct School Tax <u>Rate (2)</u>
2021	\$ 23,816,600.00	\$ 2,165,689,400.00	\$ 832,155,675.00	\$ 33,535,900.00	\$ 230,095,200.00	\$ 3,285,292,775.00	\$ 14,976,422.00	\$ 3,300,269,197.00	\$ 1,806,426,744.00	\$ 3,312,126,262.00	\$ 1.899
2020	24,247,000.00	2,129,346,700.00	863,548,175.00	33,535,900.00	217,535,400.00	3,268,213,175.00	13,986,162.00	3,282,199,337.00	1,805,990,744.00	3,260,294,095.00	1.863
2019 (3)	31,377,800.00	2,114,429,500.00	896,347,600.00	31,894,900.00	192,898,400.00	3,266,948,200.00	13,709,826.00	3,280,658,026.00	1,784,329,944.00	3,113,281,173.00	1.817
2018	22,675,100.00	1,308,325,700.00	535,690,850.00	20,813,200.00	88,946,700.00	1,976,451,550.00	9,426,205.00	1,985,877,755.00	684,133,260.00	3,973,181,503.00	2.931
2017	23,123,900.00	1,333,587,200.00	503,900,650.00	20,317,200.00	76,136,700.00	1,957,065,650.00	8,884,318.00	1,965,949,968.00	674,635,860.00	2,926,518,290.00	3.045
2016	21,469,400.00	1,333,113,900.00	496,195,150.00	20,004,300.00	70,626,500.00	1,941,409,250.00	8,823,322.00	1,950,232,572.00	672,698,460.00	2,875,320,540.00	3.010
2015	17,434,100.00	1,329,254,000.00	503,965,450.00	18,385,000.00	73,076,500.00	1,942,115,050.00	8,382,930.00	1,950,497,980.00	672,073,860.00	2,928,812,283.00	2.959
2014	18,299,700.00	1,324,231,900.00	503,935,650.00	18,768,500.00	64,626,500.00	1,929,862,250.00	9,071,727.00	1,938,933,977.00	672,162,910.00	2,892,239,006.00	2.916
2013	17,771,300.00	1,326,103,100.00	494,366,000.00	18,884,600.00	64,626,500.00	1,921,751,500.00	9,094,085.00	1,930,845,585.00	673,096,810.00	3,024,414,042.00	2.855
2012	22,470,800.00	1,315,688,800.00	463,295,800.00	18,960,500.00	64,816,500.00	1,885,232,400.00	9,613,329.00	1,894,845,729.00	653,789,610.00	3,194,730,665.00	2.815

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

(3) Revaluation

Source: Mercer County Board of Taxation

TOWNSHIP OF EWING SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (Rate per \$100 of Assessed Value)
Unaudited

Year Ended Dec. 31	<u>District Direct Rate</u>		<u>Debt Service - Overlapping Rates</u>		Total Direct and Overlapping <u>Tax Rate</u>
	Basic Rate	Municipality of Ewing	County of Mercer		
2021	\$ 1.899	\$ 0.952	\$ 0.658	\$	3.509
2020	1.863	0.941	0.655		3.459
2019 (1)	1.817	0.906	0.646		3.369
2018	2.931	1.380	0.971		5.282
2017	3.045	1.359	1.001		5.405
2016	3.010	1.334	0.988		5.332
2015	2.959	1.312	0.990		5.261
2014	2.916	1.293	1.038		5.247
2013	2.855	1.272	1.037		5.164
2012	2.815	1.232	1.060		5.107

(1) Revaluation

Source: Municipal Tax Collector

TOWNSHIP OF EWING SCHOOL DISTRICT
Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

<u>Taxpayer</u>	2021			2012		
	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>
New Jersey Manufacturers Insurance	\$ 70,550,200.00	1	2.15%	\$ 47,038,200.00	1	2.50%
Ewing Properties LLC	50,040,700.00	2	1.52%	21,597,000.00	2	1.15%
Cole Ofc Ewing, LLC	50,000,000.00	3	1.52%			
Princeton Office Center, LLC	40,174,500.00	4	1.22%			
American Properties	31,503,400.00	5	0.96%	13,578,500.00	8	0.72%
Levin Properties	32,218,100.00	6	0.98%	13,313,000.00	10	0.71%
Pfizer Inc.	28,402,900.00	7	0.86%	18,529,900.00	4	0.98%
Riverlinks, LLC	24,968,400.00	8	0.76%			
High Hotels, Ltd	23,667,700.00	9	0.72%			
Halston Builders Associates	22,234,000.00	10	0.68%			
Ewing 95, LLC				20,800,000.00	3	1.10%
Mountainview Office Park LLC				15,677,100.00	5	0.83%
Princeton South Develop				14,800,000.00	6	0.79%
Educational Testing Services				14,463,700.00	7	0.77%
Bell Atlantic / Verizon				13,568,702.00	9	0.72%
Total	\$ 373,759,900.00		11.38%	\$ 193,366,102.00		10.26%

Source: Municipal Tax Assessor

TOWNSHIP OF EWING SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>School District Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2021	\$ 62,083,389.00	\$ 59,609,821.00	96.02%	\$ 2,473,568.00
2020	60,193,220.00	57,466,423.00	95.47%	2,726,797.00
2019	57,527,622.00	55,208,498.00	95.97%	2,319,124.00
2018	57,769,467.00	57,516,070.00	99.56%	253,397.00
2017	58,962,416.00	54,154,937.00	91.85%	4,807,479.00
2016	58,170,321.00	55,030,034.00	94.60%	3,140,287.00
2015	57,195,495.00	53,934,998.32	94.30%	3,260,496.68
2014	55,749,241.00	52,429,088.00	94.04%	3,320,153.00
2013	54,518,701.00	48,641,208.08	89.22%	5,877,492.92
2012	53,447,792.00	49,728,573.73	93.04%	3,719,218.27

(1) 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.

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Capital Leases	Capital Leases				
2021	\$ 57,198,000.00	\$ 2,194,700.29	-		\$ 59,392,700.29	Unavailable	Unavailable
2020	59,298,000.00	1,999,412.25	-		61,297,412.25	Unavailable	\$ 71,790.00
2019	60,818,000.00	1,985,974.98	-		62,803,974.98	2.41%	69,080.00
2018	3,005,000.00	1,903,979.48	-		4,908,979.48	0.20%	66,045.00
2017	5,990,000.00	2,700,582.32	-		8,690,582.32	0.37%	64,689.00
2016	12,545,000.00	3,253,993.97	-		15,798,993.97	0.68%	63,526.00
2015	25,040,000.00	1,482,570.00	-		26,522,570.00	1.16%	62,033.00
2014	31,030,000.00	2,209,517.00	-		33,239,517.00	1.48%	58,096.00
2013	35,385,000.00	3,017,593.00	-		38,402,593.00	1.83%	59,268.00
2012	40,420,000.00	3,842,469.00	-		44,262,469.00	2.07%	56,498.00

Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income by county-estimated based upon the 2010 Census published

TOWNSHIP OF EWING SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30.	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
2021	\$ 57,198,000.00	-	\$ 57,198,000.00	1.73%	Unavailable
2020	59,298,000.00	-	59,298,000.00	1.81%	\$ 1,627.19
2019	60,818,000.00	-	60,818,000.00	1.85%	1,672.43
2018	3,005,000.00	-	3,005,000.00	0.15%	82.73
2017	5,990,000.00	-	5,990,000.00	0.30%	166.55
2016	12,545,000.00	-	12,545,000.00	0.64%	351.67
2015	18,870,000.00	-	18,870,000.00	0.97%	523.19
2014	25,040,000.00	-	25,040,000.00	1.29%	693.34
2013	31,030,000.00	-	31,030,000.00	1.61%	857.35
2012	35,385,000.00	-	35,385,000.00	1.87%	980.79

Sources:

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF EWING SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2021

Equalized Valuation Basis (1)

\$ 3,243,884,045.00	2020
3,208,552,544.00	2019
<u>2,908,685,136.00</u>	2018

\$ 9,361,121,725.00

\$ 3,120,373,908.33 Average equalized valuation of taxable property

\$ 124,814,956.33 Debt limit (4% of average equalization value) (2)
57,198,000.00 Total Net Debt Applicable to Limit

\$ 67,616,956.33 Legal Debt Margin

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt limit	\$ 124,814,956.33	\$ 118,560,487.47	\$ 113,902,698.03	\$ 112,867,849.56	\$ 114,081,841.92	\$ 113,835,218.00	\$ 114,986,440.00	\$ 117,416,620.00	\$ 122,830,899.00	\$ 133,800,069.00
Total net debt applicable to limit (3)	<u>57,198,000.00</u>	<u>59,298,000.00</u>	<u>60,818,000.00</u>	<u>3,005,000.00</u>	<u>5,990,000.00</u>	<u>12,545,000.00</u>	<u>18,870,000.00</u>	<u>25,040,000.00</u>	<u>31,030,000.00</u>	<u>35,385,000.00</u>
Legal debt margin	<u>\$ 67,616,956.33</u>	<u>\$ 59,262,487.47</u>	<u>\$ 53,084,698.03</u>	<u>\$ 109,862,849.56</u>	<u>\$ 108,091,841.92</u>	<u>\$ 101,290,218.00</u>	<u>\$ 96,116,440.00</u>	<u>\$ 92,376,620.00</u>	<u>\$ 91,800,899.00</u>	<u>\$ 98,415,069.00</u>
Total net debt applicable to the limit as a percentage of debt limit	45.83%	50.01%	53.39%	2.66%	5.25%	11.02%	16.41%	21.33%	25.26%	26.45%

Sources:

- (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 12 district.
- (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

TOWNSHIP OF EWING SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2020	36,442	Unavailable	Unavailable	7.6%
2019	36,365	\$ 2,610,643,350.00	\$ 71,790.00	3.3%
2018	36,325	2,509,331,000.00	69,080.00	3.9%
2017	35,966	2,375,374,470.00	66,045.00	4.4%
2016	35,673	2,307,650,697.00	64,689.00	4.7%
2015	36,067	2,291,192,242.00	63,526.00	6.2%
2014	36,115	2,240,321,795.00	62,033.00	6.8%
2013	36,193	2,102,668,528.00	58,096.00	5.9%
2012	36,078	2,138,270,904.00	59,268.00	6.0%
2011	36,123	2,040,877,254.00	56,498.00	7.8%

Sources:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income by county-estimated based upon the 2010 Census published
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF EWING SCHOOL DISTRICT
 Principal Non-Governmental Employers
 Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	Information Unavailable			Information Unavailable		
	-			-		

Source: Individual Employers

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

TOWNSHIP OF EWING SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

Function/Program	Fiscal Year Ended June 30,									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Instruction										
Regular	248	249	258	232	237	248	248	247	245	237
Special Education	94	90	81	90	86	89	89	69	67	62
Other Special Education						1	1	1	1	1
Other Instruction	51	51	56	64	61	54	54	54	54	54
Support Services:										
Student and Instruction Related Services	74	91	82	75	74	56	56	55	55	55
General Administrative Services	5	5	5	5	5	5	5	4	4	4
School Administrative Services	15	16	17	16	17	16	17	16	16	16
Business Administrative Services	78	81	72	68	49	51	51	49	49	49
Plant Operations and Maintenance	52	46	56	4	3	2	2	2	2	2
Pupil Transportation	5	6	4	52	64	136	136	116	116	113
Food Service	24	31	25	24	23	24	24	24	24	24
Total	<u>646</u>	<u>666</u>	<u>656</u>	<u>630</u>	<u>619</u>	<u>682</u>	<u>683</u>	<u>637</u>	<u>633</u>	<u>617</u>

Source: District Records

TOWNSHIP OF EWING SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2021	3,801	\$ 84,872,021.61	\$ 22,328.87	-3.00%	322.0	10.0	8.0	10.0	3,376.2	3,234.8	-1.27%	95.81%
2020	3,539	81,469,799.16	23,020.57	-0.38%	332.0	11.0	9.0	11.0	3,419.6	3,280.3	-1.72%	95.92%
2019	3,530	81,574,091.38	23,108.81	8.09%	328.0	11.0	8.0	11.0	3,479.6	3,322.3	-1.00%	95.48%
2018	3,600	76,964,475.36	21,379.02	2.52%	328.0	11.0	8.0	11.0	3,514.7	3,355.9	-0.43%	95.48%
2017	3,572	74,488,381.49	20,853.41	6.23%	323.0	11.0	10.0	12.0	3,530.0	3,379.0	-0.65%	95.72%
2016	3,568	70,041,166.00	19,630.37	5.52%	328.0	11.0	10.0	12.0	3,553.0	3,407.0	-1.31%	95.89%
2015	3,630	67,533,447.00	18,604.26	5.38%	328.0	11.0	10.0	12.0	3,600.0	3,440.0	-1.10%	95.56%
2014	3,697	65,268,649.00	17,654.49	2.24%	319.0	10.0	10.0	11.0	3,640.0	3,345.0	-0.08%	91.90%
2013	3,710	64,065,059.00	17,268.21	3.68%	312.0	10.0	10.0	10.7	3,643.0	3,501.0	-0.79%	96.10%
2012	3,703	61,673,620.00	16,655.04	5.82%	299.0	10.0	10.1	10.7	3,672.0	3,530.0	-0.92%	96.13%

Source: District Records

TOWNSHIP OF EWING SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District Building										
Elementary										
Antheil Elementary (1982):										
Square Feet	111,237	111,198	111,198	111,198	111,198	111,198	111,198	111,198	111,198	111,198
Capacity (students)	886	886	886	886	886	886	886	886	886	886
Enrollment	720	678	676	676	676	663	663	729	729	729
Lore Elementary (1954):										
Square Feet	71,571	71,571	71,571	71,571	71,571	71,571	71,571	71,571	71,571	71,571
Capacity (students)	839	839	839	839	839	839	839	839	839	839
Enrollment	682	607	606	606	606	591	591	528	528	528
Parker Elementary (1993):										
Square Feet	67,417	67,417	67,417	67,417	67,417	67,417	67,417	67,417	67,417	67,417
Capacity (students)	534	534	534	534	534	534	534	534	534	534
Enrollment	434	417	416	416	416	404	404	461	461	461
Middle School										
Fisher Middle School (1960):										
Square Feet	152,751	157,085	157,085	157,085	157,085	157,085	157,085	157,085	157,085	157,085
Capacity (students)	970	970	970	970	970	970	970	970	970	970
Enrollment	788	757	756	756	756	799	799	877	877	877
High School										
Ewing High School (1950):										
Square Feet	202,755	202,755	202,755	202,755	202,755	202,755	202,755	202,755	202,755	202,755
Capacity (students)	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435
Enrollment	1,167	1,068	1,064	1,064	1,064	1,058	1,058	1,139	1,139	1,139
Other										
Ryan Administration (1946):										
Square Feet	3,914	3,914	3,914	3,914	3,914	3,914	3,914	3,914	3,914	3,914
Enrollment	10	12	12	12	12	12	12	12	12	12
Gusz Building (1979):										
Square Feet	23,156	23,156	23,156	23,156	23,156	23,156	23,156	23,156	23,156	23,156
Number of Schools at June 30, 2021										
Elementary =	3									
Middle School =	1									
High School =	1									
Other =	2									

Source: District Records

TOWNSHIP OF EWING SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
Unaudited

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

* School Facilities	Project # (s)	Fiscal Year Ended June 30,									
		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Antheil Elementary	N/A	\$ 46,088.36	\$ 58,601.34	\$ 154,096.91	\$ 114,129.52	\$ 124,436.93	\$ 158,170.00	\$ 175,422.00	\$ 188,019.00	\$ 176,782.00	\$ 170,749.00
Lore Elementary	N/A	300,820.02	350,334.09	498,091.13	330,564.36	381,442.30	101,804.00	112,908.00	121,016.00	113,783.00	109,900.00
Parkway Elementary	N/A	181,862.21	178,351.91	243,986.83	194,585.69	193,924.47	95,895.00	106,355.00	113,992.00	107,179.00	103,521.00
Fisher Middle School	N/A	95,913.62	99,792.13	230,367.15	112,330.19	108,173.88	223,441.00	247,812.00	265,608.00	249,733.00	241,210.00
Ewing High School	N/A	172,519.97	274,746.82	463,458.23	311,028.67	270,065.09	288,403.00	319,860.00	342,829.00	322,339.00	311,338.00
Total School Facilities		<u>797,204.18</u>	<u>961,826.29</u>	<u>1,590,000.25</u>	<u>1,062,638.43</u>	<u>1,078,042.67</u>	<u>867,713.00</u>	<u>962,357.00</u>	<u>1,031,464.00</u>	<u>969,816.00</u>	<u>936,718.00</u>
Other Facilities		<u>80,966.04</u>	<u>79,833.73</u>	<u>100,007.38</u>	<u>52,437.91</u>	<u>52,731.69</u>	-	-	-	-	-
Grand Total		<u>\$ 878,170.22</u>	<u>\$ 1,041,660.02</u>	<u>\$ 1,690,007.63</u>	<u>\$ 1,115,076.34</u>	<u>\$ 1,130,774.36</u>	<u>\$ 867,713.00</u>	<u>\$ 962,357.00</u>	<u>\$ 1,031,464.00</u>	<u>\$ 969,816.00</u>	<u>\$ 936,718.00</u>

* School Facilities as defined under EFCFA. (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District Records

TOWNSHIP OF EWING SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2021
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Burlington County Insurance Pool Joint Insurance Fund		
Property / Inland Marine / Automobile Physical Damage - JIF Self Insured Retention	\$ 250,000.00	\$ 500.00
Crime - JIF Self Insured Retention	250,000.00	500.00
General Liability / Auto Liability - JIF Self Insured Retention	250,000.00	
Educators Legal Liability - JIF Self Insured Retention	250,000.00	
Workers Compensation - JIF Self Insured Retention	250,000.00	
School Pool for Excess Liability Limits Joint Insurance Fund (SPELL JIF)		
Property / Inland Marine / Automobile Physical Damage	175,000,000.00	
Crime	500,000.00	
Workers Compensation	Statutory	
General Liability / Auto Liability	20,000,000.00	
Educators' Legal Liability	20,000,000.00	
Travelers Insurance Company		
Boiler and Machinery	125,000,000.00	1,000.00
Beazley / Lloyd's of London		
Pollution Legal Liability	3,000,000.00	25,000.00
Member District Deductible - Mold Incident		100,000.00-250,000.00
Starr Surplus Lines Ins. Co.		
Cyber Liability	2,000,000.00	50,000-100,000
Lloyd's of London		
Disaster Management Services	1,000,000.00	10,000.00
Non-JIF Coverage		
Western Surety Company:		
Business Administrator/Board Secretary	350,000.00	
<u>Excess and Reinsurance Carriers Involved</u>		
Property and Crime:		
SPELL JIF, Great American Insurance Company		
Maxum Insurance Company		
Westchester Fire Insurance Company		
Mitsui Sumitomo Insurance Company of America		
Everest Insurance Company		
Evanston Insurance Company		
RSUI Indemnity Company		
James River Insurance Company		
BRIT / Lloyd's of London		
Colony Insurance Company		
Allied World Assurance Company		
AXIS Insurance Company		
General Liability and Automobile Liability:		
SPELL JIF, Great American Insurance Company		
Workers Compensation:		
SPELL JIF, Great American Insurance Company		
Safety National Casualty Corp.		
Educators Legal Liability:		
SPELL JIF, Great American Insurance Company		

Source: District Records

SINGLE AUDIT SECTION

Exhibit K-2

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Ewing School District
County of Mercer
Ewing, New Jersey 08618

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Ewing School District's, in the County of Mercer, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2021. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

In our opinion, the Township of Ewing School District, in the County of Mercer, State of New Jersey, 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 Township of Ewing School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, 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 Township of Ewing School District's internal control over compliance.

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

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M DiGangi

Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 002376

Voorhees, New Jersey
March 31, 2022

TOWNSHIP OF EWING SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2021

Federal Grantor/ Pass-through Grantor / Program Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Grant or State Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period		Balance June 30, 2020
						From	To	
General Fund:								
U.S. Department of Health and Human Services:								
Passed-through the State Department of Education:								
Medical Assistance Program (Medicaid):								
Special Education Medicaid Initiative	93.778	N/A	2105NJ5MAP	Unavailable	\$ 201,369.95	7-1-20	6-30-21	
Special Education Medicaid Initiative	93.778	COVID-19	2105NJ5MAP	Unavailable	22,184.68	7-1-20	6-30-21	
Medical Assistance Program (Medicaid Administrative Claiming Aid)	93.778	N/A	2105NJ5MAP	Unavailable	26,369.20	7-1-20	6-30-21	
Total Medical Assistance Program (Medicaid) Cluster								
-								
Total General Fund								
-								
Special Revenue Fund:								
U.S. Department of Education:								
Passed-through State Department of Education:								
E.S.S.A.:								
Title I, Part A Grants to Local Educational Agencies	84.010	N/A	S010A190030	NCLB143020	510,207.00	7-1-19	9-30-20	\$ (172,823.17)
Title I, Part A Grants to Local Educational Agencies	84.010	N/A	S010A200030	NCLB143021	536,260.00	7-1-20	9-30-21	
Title I, Part A Grants to Local Educational Agencies - Reallocated	84.010	N/A	S010A190030	NCLB143020	71,291.00	7-1-19	9-30-20	(62,232.00)
Title I, Part A Grants to Local Educational Agencies - Reallocated	84.010	N/A	S010A200030	NCLB143021	92,387.00	7-1-20	9-30-21	
Total Title I, Part A Grants to Local Educational Agencies								
(235,055.17)								
Supporting Effective Instruction State Grants (Title II, Part A) ESSA	84.367A	N/A	S367A190029	NCLB143020	113,697.00	7-1-19	9-30-20	(26,865.25)
Supporting Effective Instruction State Grants (Title II, Part A) ESSA	84.367A	N/A	S367A200029	NCLB143021	113,231.00	7-1-20	9-30-21	
Total Supporting Effective Instruction State Grants (Title II, Part A) ESSA								
(26,865.25)								
English Language Acquisition (Title III)	84.365	N/A	S365A190030	NCLB143020	24,436.00	7-1-19	9-30-20	(1,472.93)
English Language Acquisition (Title III)	84.365	N/A	S365A200030	NCLB143021	27,379.00	7-1-20	9-30-21	
English Language Acquisition (Title III, Immigrant)	84.365	N/A	S365A200030	NCLB143021	208.00	7-1-20	9-30-21	
Total English Language Acquisition (Title III)								
(1,472.93)								
Title IV - Student Support and Academic Enrichment (ESSA)	84.424	N/A	S424A190031	NCLB143020	27,852.00	7-1-19	9-30-20	(6,154.57)
Title IV - Student Support and Academic Enrichment (ESSA)	84.424	N/A	S424A200031	NCLB143021	38,165.00	7-1-20	9-30-21	
Total Title IV - Student Support and Academic Enrichment (ESSA)								
(6,154.57)								
I.D.E.A. Part B:								
Special Education Cluster:								
Special Education Grants to States (I.D.E.A. Basic)	84.027	N/A	H027A190100	FT143020	1,004,191.00	7-1-19	9-30-20	(244,227.99)
Special Education Grants to States (I.D.E.A. Basic)	84.027	N/A	H027A200100	FT143021	1,035,764.00	7-1-20	9-30-21	
Special Education Preschool Grants (I.D.E.A. Preschool)	84.173	N/A	H173A190114	PS143020	39,232.00	7-1-20	9-30-20	(599.54)
Special Education Preschool Grants (I.D.E.A. Preschool)	84.173	N/A	H173A200114	PS143021	39,233.00	7-1-20	9-30-21	
Total I.D.E.A. Part B Special Education Cluster								
(244,827.53)								
Career and Technical Education - Basic Grants to States:								
Carl D. Perkins Vocational and Applied Technology Act	84.048	N/A	V048A190030	Unavailable	27,676.00	7-1-19	6-30-20	(9,097.41)
Carl D. Perkins Vocational and Applied Technology Act	84.048	N/A	V048A200030	Unavailable	26,934.00	7-1-20	6-30-21	
Total Perkins Grant								
(9,097.41)								
Coronavirus Aid Relief and Economic Security Act 2020 - CARES Act:								
Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	COVID-19	S425D200027	Unavailable	451,288.00	5-15-20	9-30-21	(26,473.40)
Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	COVID-19	S425D210027	Unavailable	1,694,471.00	3-15-21	9-30-22	
Elementary and Secondary School Emergency Relief Fund (Learning Acceleration)	84.425D	COVID-19	S425D210027	Unavailable	108,742.00	3-15-21	9-30-22	
Elementary and Secondary School Emergency Relief Fund (Mental Health)	84.425D	COVID-19	S425D210027	Unavailable	45,000.00	3-15-21	9-30-22	
Total Education Stabilization Fund (ESSER)								
(26,473.40)								
Coronavirus Relief Funding:								
Bridging the Digital Divide	21.019	COVID-19	SLT0228	Unavailable	713,619.00	7-16-20	10-31-20	
Nonpublic Technology Initiative	21.019	COVID-19	SLT0228	Unavailable	3,437.00	7-16-20	10-31-20	
School Re-opening and Remote Learning Grant	21.019	COVID-19	SLT0228	Unavailable	294,622.00	3-1-20	12-31-20	
Total Coronavirus Relief Funding								
-								
Total Special Revenue Fund								
(549,946.26)								
Enterprise Fund:								
U.S. Department of Agriculture:								
Passed-through State Department of Education:								
Child Nutrition Cluster:								
School Breakfast Program	10.553	N/A	211NJ304N1099	Unavailable	95,286.12	7-1-20	6-30-21	
Seamless Summer Option (SSO) - COVID-19 CARES Act	10.553	COVID-19	201NJ304N1099	Unavailable	27,284.40	3-1-20	6-30-20	(11,154.00)
National School Lunch Program - Commodities (Non-Cash)	10.555	N/A	211NJ304N1099	Unavailable	65,522.46	7-1-20	6-30-21	
Seamless Summer Option (SSO) - COVID-19 CARES Act	10.555	COVID-19	201NJ304N1099	Unavailable	43,169.00	3-1-20	6-30-20	(17,640.00)
Emergency Operational Costs Reimbursement Program	10.555	COVID-19	202121H170341	Unavailable	83,901.75	7-1-20	6-30-21	
P-EBT Administrative Cost Reimbursement	10.649	COVID-19	202121S900941	Unavailable	3,063.00	7-1-20	6-30-21	
National School Lunch Program	10.555	N/A	211NJ304N1099	Unavailable	262,843.20	7-1-20	6-30-21	
Total Child Nutrition Cluster								
(28,794.00)								
Total Enterprise Fund								
(28,794.00)								
Total Federal Financial Assistance								
<u>\$ (578,740.26)</u>								

(A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
 The accompanying Notes to Financial Statements and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Caryover / (Walkover) Amount	Budgetary Expenditures			Passed- Through to Subrecipients	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2021		Due to Grantor
	Cash Received	Pass-Through Funds	Direct Funds				Total Budgetary Expenditures	(Accounts Receivable)	
	\$ 201,369.95 22,184.68 26,369.20	\$ 201,369.95 22,184.68 26,369.20		\$ 201,369.95 22,184.68 26,369.20					
-	249,923.83	249,923.83	-	249,923.83	-	-	-	-	-
-	249,923.83	249,923.83	-	249,923.83	-	-	-	-	-
\$ (90,653.00) 90,653.00	263,476.00 129,942.00 62,232.00 13,773.00	234,927.11 38,315.76		234,927.11 38,315.76	\$ 0.17 (0.17)		\$ (406,318.00) (78,614.00)	\$ 391,985.72 54,071.24	
-	469,423.00	273,242.87	-	273,242.87	-	-	(484,932.00)	446,056.96	-
(70,995.00) 70,995.00	97,860.00 27,671.00	138,444.53		138,444.53	0.25 (0.25)		(85,560.00)	45,781.22	
-	125,531.00	138,444.53	-	138,444.53	-	-	(85,560.00)	45,781.22	-
	1,473.00 15,175.00	15,174.70		15,174.70	(0.07)		(22,470.00) (208.00)	22,470.30 208.00	
-	16,648.00	15,174.70	-	15,174.70	(0.07)	-	(22,678.00)	22,678.30	-
	6,155.00	15,002.43		15,002.43	(0.43)		(54,423.00)	39,420.57	
-	6,155.00	15,002.43	-	15,002.43	(0.43)	-	(54,423.00)	39,420.57	-
(57,255.00) 57,255.00 (4,378.00) 4,378.00	301,483.00 833,091.00 4,978.00 25,404.00	956,416.05 31,552.84		956,416.05 31,552.84	(0.01) (0.46)		(202,673.00) (13,829.00)	136,602.95 12,058.16	
-	1,164,956.00	987,968.89	-	987,968.89	(0.47)	-	(216,502.00)	148,861.11	-
	9,097.41 13,028.59	20,937.81		20,937.81			(16,656.00)	8,746.78	
-	22,126.00	20,937.81	-	20,937.81	-	-	(16,656.00)	8,746.78	-
	325,961.00	398,720.27 264,929.54	-	398,720.27 264,929.54			(125,327.00) (1,694,471.00) (108,742.00) (45,000.00)	26,094.33 1,429,541.46 108,742.00 45,000.00	
-	325,961.00	663,649.81	-	663,649.81	-	-	(1,973,540.00)	1,609,377.79	-
	713,518.00 294,622.00	713,518.15 3,252.87 294,622.00		713,518.15 3,252.87 294,622.00	0.15 (0.13)		(101.00) (3,437.00)	\$ 101.00 184.00	
-	1,008,140.00	1,011,393.02	-	1,011,393.02	0.02	-	(3,538.00)	-	285.00
-	3,138,940.00	3,125,814.06	-	3,125,814.06	(0.95)	-	(2,857,829.00)	2,320,722.73	285.00
	76,717.96 11,154.00 65,522.46 17,640.00	95,286.12 65,522.46		95,286.12 65,522.46			(18,568.16)		
	202,003.20	83,901.75 3,063.00 262,843.20		83,901.75 3,063.00 262,843.20			(83,901.75) (3,063.00) (60,840.00)		
-	373,037.62	510,616.53	-	510,616.53	-	-	(166,372.91)	-	-
-	373,037.62	510,616.53	-	510,616.53	-	-	(166,372.91)	-	-
-	\$ 3,761,901.45	\$ 3,886,354.42	-	\$ 3,886,354.42	\$ (0.95)	-	\$ (3,024,201.91)	\$ 2,320,722.73	\$ 285.00

TOWNSHIP OF EWING SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2021

State Grantor/ Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June, 30, 2020		Carryover / (Walkover) Amount
			From	To	Unearned Revenue / Accounts Receivable	Due to Grantor	
General Fund:							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public:							
Equalization Aid	20-495-034-5120-078	\$ 8,277,957.00	7-1-19	6-30-20	\$ (677,184.88)		
Equalization Aid	21-495-034-5120-078	8,650,401.00	7-1-20	6-30-21			
Categorical Special Education Aid	20-495-034-5120-089	2,681,096.00	7-1-19	6-30-20	(219,329.20)		
Categorical Special Education Aid	21-495-034-5120-089	2,681,096.00	7-1-20	6-30-21			
Categorical Security Aid	20-495-034-5120-084	1,024,833.00	7-1-19	6-30-20	(83,837.27)		
Categorical Security Aid	21-495-034-5120-084	1,024,833.00	7-1-20	6-30-21			
Total State Aid - Public					(980,351.35)	-	-
State Aid - Transportation:							
Categorical Transportation Aid	20-495-034-5120-014	1,023,175.00	7-1-19	6-30-20	(83,701.65)		
Categorical Transportation Aid	21-495-034-5120-014	1,023,175.00	7-1-20	6-30-21			
Additional Non-Public Transportation Aid	20-495-034-5120-014	20,683.00	7-1-19	6-30-20	(20,683.00)		
Additional Non-Public Transportation Aid	21-495-034-5120-014	68,440.00	7-1-20	6-30-21			
Total State Aid - Transportation					(104,384.65)	-	-
Extraordinary Aid							
Extraordinary Aid	20-495-034-5120-044	822,399.00	7-1-19	6-30-20	(822,399.00)		
Extraordinary Aid	21-495-034-5120-044	811,644.00	7-1-20	6-30-21			
Total Extraordinary Aid					(822,399.00)	-	-
Homeless Tuition Aid							
Homeless Tuition Aid	20-495-034-5120-005	47,240.00	7-1-19	6-30-20	(47,240.00)		
Homeless Tuition Aid	21-495-034-5120-005	38,521.00	7-1-20	6-30-21			
Total Homeless Tuition Aid					(47,240.00)	-	-
Reimbursed TPAF Social Security Contributions							
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	2,122,633.79	7-1-19	6-30-20	(99,195.91)	\$ 98,832.65	
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	2,199,344.42	7-1-20	6-30-21			
Total Reimbursed TPAF Social Security Contributions					(99,195.91)	98,832.65	-
New Jersey Department of the Treasury:							
On-Behalf T.P.A.F. Pension Contributions -							
Post-Retirement Medical (non-budgeted)	21-495-034-5094-001	2,497,805.00	7-1-20	6-30-21			
On-Behalf T.P.A.F. Pension Contributions - Normal							
Cost (non-budgeted)	21-495-034-5094-002	7,821,601.00	7-1-20	6-30-21			
On-Behalf T.P.A.F. Non-contributory Insurance							
On-Behalf T.P.A.F. Pension Contributions - Long-Term	21-495-034-5094-004	148,816.00	7-1-20	6-30-21			
Disability Insurance (non-budgeted)	21-495-034-5094-004	4,237.00	7-1-20	6-30-21			
Total On-Behalf TPAF Pension Contributions (non-budgeted)					-	-	-
Total General Fund					(2,053,570.91)	98,832.65	-
Special Revenue Fund:							
New Jersey Department of Education:							
Nonpublic Aid:							
Nursing Services	20-100-034-5120-070	10,767.00	7-1-19	6-30-20		451.00	
Nursing Services	21-100-034-5120-070	10,098.00	7-1-20	6-30-21			
Total Nursing Services					-	451.00	-
Textbook Aid (Ch. 194)							
Textbook Aid (Ch. 194)	20-100-034-5120-064	4,743.00	7-1-19	6-30-20		315.00	
Textbook Aid (Ch. 194)	21-100-034-5120-064	4,826.00	7-1-20	6-30-21			
Total Textbook Aid (Ch. 194)					-	315.00	-
Technology							
Technology	20-100-034-5120-373	3,240.00	7-1-19	6-30-20		342.00	
Total Technology					-	342.00	-
Security							
Security	20-100-034-5120-509	16,650.00	7-1-19	6-30-20		6,505.00	
Security	21-100-034-5120-509	17,325.00	7-1-20	6-30-21			
Total Security					-	6,505.00	-
Auxiliary Services (Ch. 192)							
Transportation	20-100-034-5120-068	567.00	7-1-19	6-30-20	(56.00)		
Transportation	21-100-034-5120-068	632.00	7-1-20	6-30-21			
Total Auxiliary Services (Ch. 192)					(56.00)	-	-
Handicapped Services (Ch. 193)							
Supplementary Instruction	21-100-034-5120-066	5,019.00	7-1-20	6-30-21			
Examination and Classification	20-100-034-5120-066	5,388.00	7-1-19	6-30-20	(1,187.00)		
Examination and Classification	21-100-034-5120-066	7,061.00	7-1-20	6-30-21			
Total Handicapped Services (Ch. 193)					(1,187.00)	-	-
Total Nonpublic Aid:					(1,243.00)	7,613.00	-
Total Special Revenue Fund					(1,243.00)	7,613.00	-
Debt Service Fund:							
New Jersey Department of Education:							
School Construction Debt Service Aid	21-495-034-5120-075	1,286,246.00	7-1-20	6-30-21			
Total Debt Service Fund					-	-	-
Enterprise Fund:							
New Jersey Department of Agriculture:							
Child Nutrition Cluster:							
State School Lunch Aid	20-100-010-3350-023	12,804.16	7-1-19	6-30-20	(277.20)		
State School Lunch Aid	21-100-010-3350-023	17,015.58	7-1-20	6-30-21			
Total Enterprise Fund					(277.20)	-	-
Total State Financial Assistance					\$ (2,055,091.11)	\$ 106,445.65	-
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of the Treasury:							
On-Behalf T.P.A.F. Pension Contributions -							
Post-Retirement Medical (non-budgeted)	21-495-034-5094-001	2,497,805.00	7-1-20	6-30-21			
On-Behalf T.P.A.F. Pension Contributions - Normal							
Cost (non-budgeted)	21-495-034-5094-002	7,821,601.00	7-1-20	6-30-21			
On-Behalf T.P.A.F. Non-contributory Insurance							
On-Behalf T.P.A.F. Pension Contributions - Long-Term	21-495-034-5094-004	148,816.00	7-1-20	6-30-21			
Disability Insurance (non-budgeted)	21-495-034-5094-004	4,237.00	7-1-20	6-30-21			
Total General Fund (Non-Cash Assistance)					-	-	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit					\$ (2,055,091.11)	\$ 106,445.65	-

(A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
 The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are and integral part of this schedule.

Cash Received	Total Budgetary Expenditures	Passed- Through to Subrecipients	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2021			Memo	
					(Accounts Receivable)	Unearned Revenue / Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2021	Cumulative Total Expenditures
\$ 677,184.88									
7,903,814.68	\$ 8,650,401.00				\$ (746,586.32)			\$ (746,586.32)	\$ 8,650,401.00
219,329.20									
2,449,699.84	2,681,096.00				(231,396.16)			(231,396.16)	2,681,096.00
83,837.27									
936,383.20	1,024,833.00				(88,449.80)			(88,449.80)	1,024,833.00
12,270,249.07	12,356,330.00	-	-	-	(1,066,432.28)	-	-	(1,066,432.28)	12,356,330.00
83,701.65									
934,868.29	1,023,175.00				(88,306.71)			(88,306.71)	1,023,175.00
20,683.00	68,440.00				(68,440.00)				68,440.00
1,039,252.94	1,091,615.00	-	-	-	(156,746.71)	-	-	(88,306.71)	1,091,615.00
822,399.00	811,644.00				(811,644.00)				811,644.00
822,399.00	811,644.00	-	-	-	(811,644.00)	-	-	-	811,644.00
47,240.00	38,521.00				(38,521.00)				38,521.00
47,240.00	38,521.00	-	-	-	(38,521.00)	-	-	-	38,521.00
99,195.91							\$ 98,832.65		
2,199,344.42	2,199,344.42								2,199,344.42
2,298,540.33	2,199,344.42	-	-	-			98,832.65		2,199,344.42
2,497,805.00	2,497,805.00								2,497,805.00
7,821,601.00	7,821,601.00								7,821,601.00
148,816.00	148,816.00								148,816.00
4,237.00	4,237.00								4,237.00
10,472,459.00	10,472,459.00	-	-	-					10,472,459.00
26,950,140.34	26,969,913.42	-	-	-	(2,073,343.99)		98,832.65	(1,154,738.99)	26,969,913.42
10,098.00	9,978.00			\$ 451.00			120.00		9,978.00
10,098.00	9,978.00	-	-	451.00			120.00		9,978.00
4,826.00	4,765.02		\$ (0.02)	315.00			61.00		4,765.02
4,826.00	4,765.02	-	(0.02)	315.00			61.00		4,765.02
-	-			342.00					-
17,325.00	17,150.00			6,505.00			175.00		17,150.00
17,325.00	17,150.00	-	-	6,505.00			175.00		17,150.00
56.00									
632.00	632.00								632.00
688.00	632.00	-	-	-					632.00
5,019.00	5,019.00								5,019.00
1,187.00									
7,061.00	6,316.00						745.00		6,316.00
13,267.00	11,335.00	-	-	-			745.00		11,335.00
46,204.00	43,860.02	-	(0.02)	7,613.00			1,101.00		43,860.02
46,204.00	43,860.02	-	(0.02)	7,613.00			1,101.00		43,860.02
1,286,246.00	1,286,246.00	-	-	-					1,286,246.00
277.20									
12,706.08	17,015.58				(4,309.50)				17,015.58
12,983.28	17,015.58	-	-	-	(4,309.50)				17,015.58
\$ 28,295,573.62	28,317,035.02	-	\$ (0.02)	\$ 7,613.00	\$ (2,077,653.49)		\$ 99,933.65	\$ (1,154,738.99)	\$ 28,317,035.02
	2,497,805.00								
	7,821,601.00								
	148,816.00								
	4,237.00								
	10,472,459.00								
	\$ 17,844,576.02								

TOWNSHIP OF EWING SCHOOL DISTRICT

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2021

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Township of Ewing School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the enterprise funds are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3: INDIRECT COST RATE

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

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 special revenue fund also recognizes the one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$90,686.00 for the general fund and \$326,802.42 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance revenues reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 249,923.83	\$ 26,879,227.42	\$ 27,129,151.25
Special Revenue	2,800,279.84	42,591.82	2,842,871.66
Debt Service		1,286,246.00	1,286,246.00
Food Service	<u>510,616.53</u>	<u>17,015.58</u>	<u>527,632.11</u>
GAAP Basis Revenues	<u>3,560,820.20</u>	<u>28,225,080.82</u>	<u>31,785,901.02</u>
GAAP Adjustments:			
State Aid Payments		90,686.00	90,686.00
Encumbrances	<u>325,534.22</u>	<u>1,268.20</u>	<u>326,802.42</u>
	<u>325,534.22</u>	<u>91,954.20</u>	<u>417,488.42</u>
Total Awards and Financial Assistance Expended	<u>\$ 3,886,354.42</u>	<u>\$ 28,317,035.02</u>	<u>\$ 32,203,389.44</u>

Note 5: 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 6: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent minor rounding differences.

Note 7: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2021, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 8: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

TOWNSHIP OF EWING SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 1- Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:
Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported
Type of auditor's report issued on compliance for major programs Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes X no

Identification of major programs:

Table with 3 columns: Assistance Listing Number(s), FAIN Number(s), Name of Federal Program or Cluster. Includes entries for 84.425D (Elementary and Secondary School Emergency Relief Fund) and 21.019 (Coronavirus Relief Fund).

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000.00

Auditee qualified as low-risk auditee? X yes no

TOWNSHIP OF EWING SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified? ___ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? ___ yes X no

Identification of major programs:

GMIS Number(s)

Name of State Program

Table with 2 columns: GMIS Number(s) and Name of State Program. Rows include: State Aid Public, Equalization Aid, Categorical Special Education Aid, Categorical Security Aid, Extraordinary Aid, School Construction Debt Service Aid.

Dollar threshold used to distinguish between type A and type B programs: \$ _____ 750,000.00

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

TOWNSHIP OF EWING SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

None

TOWNSHIP OF EWING SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

None

TOWNSHIP OF EWING SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

None

TOWNSHIP OF EWING SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

None

FEDERAL AWARDS

None

STATE FINANCIAL ASSISTANCE PROGRAMS

None