

TOWNSHIP OF MONROE SCHOOL DISTRICT

Monroe, New Jersey

County of Middlesex

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

**THE ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
TOWNSHIP OF MONROE SCHOOL DISTRICT
MONROE, NEW JERSEY**



YEAR ENDED JUNE 30, 2021

**PREPARED BY MICHAEL C. GORSKI, CPA,
BUSINESS ADMINISTRATOR/BOARD SECRETARY
AND
THE DISTRICT SCHOOL BUSINESS OFFICE STAFF**

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INTRODUCTORY SECTION

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CHARI ROBYNNE CHANLEY
Acting Superintendent of
Schools

MICHAEL C. GORSKI, CPA
Board Secretary/
School Business Administrator

February 28, 2021

Honorable President and Members
of the Board of Education
Monroe Township School District
County of Middlesex, New Jersey

Dear Board Members:

We are pleased to present to you the Annual Comprehensive Financial Report (ACFR) of the Monroe Township School District (District) for the fiscal year ended June 30, 2021. This ACFR includes the District's Basic Financial Statements prepared in accordance with Governmental Accounting Standards Board Statement (GASS) 34. The District is required to adopt this financial reporting model, which we believe will provide all users of this document with useful financial and statistical information. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education ("The Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the Monroe Township School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs.

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

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, 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 School District's financial position and operating results, and other schedules providing detailed budgetary information.
- The Statistical Tables (Section) includes selected data on Financial Trends, Revenue Capacity, Debt Capacity, Demographic and Economic Information and Operating Information of the School District, generally presented on a multi-year basis.

- The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Title 2 US Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit including the independent auditor's report on compliance for each major federal and state program and report on internal control over compliance along with findings and questioned costs if any, is included in the single audit section of this report.

1) **SCHOOL DISTRICT ORGANIZATION:** Located in Middlesex County, the Monroe Township School District receives children from Monroe Township grades Pre K through 12 and Jamesburg Borough for grades 9 through 12. The district provides education to 6,928 students. Regarding Monroe Township, the municipality contains a land area of approximately 41.94 square miles.

An elected 10-member Board of Education including the Jamesburg representative member (The "Board") serves as the policy maker for the School District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over and authorization for all expenditures of School District tax money.

The Superintendent is the Chief Executive Officer of the School District, responsible to the Board for total educational and support operations. The Board Secretary is the Chief Financial Officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds, and investing idle funds as permitted by New Jersey law.

2) **REPORTING ENTITY:** Monroe Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement 14. All funds of the District are included in this report. The Monroe Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational and special education. The District completed the 2020-2021 fiscal year with an average daily enrollment of 6,944 students, which is 115 students above the previous year's average daily enrollment. The following details the changes in the average daily enrollment of the District over the last ten (10) years.

Fiscal Year	Average Daily Enrollment	Percent Change
2020 - 21	6,944	1.29%
2019 - 20	6,924	1.69%
2018 - 19	6,809	0.30%
2017 - 18	6,786	0.70%
2016 - 17	6,740	3.82%
2015 - 16	6,492	2.50%
2014 - 15	6,334	3.21%
2013 - 14	6,137	1.74%
2012 - 13	6,032	2.81%
2011 - 12	5,867	3.64%

3) MAJOR INITIATIVES: The Monroe Township Board of Education commits itself to all children by preparing them to reach their full potential and to function in a global society through a preeminent education. The Monroe Public Schools in collaboration with the members of the community shall ensure that all children receive an exemplary education by well-trained committed staff in a safe and orderly environment. Our belief is that all decision are made on the premise that children come first.

The district is experiencing huge growth in our enrollment which challenges our classrooms and has been managing operations in the COVID pandemic environment. The State of NJ has revised the New Jersey Student Learning Standards and we have revised our curriculum to adhere to those standards as well as incorporated College and Career Ready Practices. All classrooms use resources and curriculum to prepare students for statewide assessments as well as prepare students for college, life, and career. Additional offerings include but are not limited to an evolving definition of balanced literacy and readers and writers workshop models, a developing online formative assessment system, implementation of social and emotional practices and restorative practices to support students, and the continuation of a 1:1 iPad learning device environment at our high school. Technology is available and utilized throughout the K-12 classrooms and teachers follow the technology standards to ensure that all students are introduced and have adequate time to practice skills. The Gifted and Talented program for grades K-8 will continue in 2020-2021 which includes after school programs for eligible students as well as the inclusion of the cluster grouping program from grades two through five. The district revised and wrote curricula for courses to align to the standards and best practices utilizing the Rubicon Atlas Curriculum tool. Additionally, the use of formative assessments such as DRA2, MAP, and Edmentum online assessments will allow our teachers to prepare their instruction appropriately to meet the needs of each individual learner. At the high school level, we are focusing efforts to partner with colleges and corporations to bring opportunities to our students. Throughout our district, teachers focus on integration of subject areas through STEM, Science, Technology, Engineering, and Mathematics. We are also incorporating practices to focus our attention on the Whole Child and social-emotional learning. We are exploring restorative justice and mindfulness activities for all staff and students.

The Monroe Township School District hires new teachers and staff each year primarily due to growing enrollment. We have developed and implemented the mentoring/induction program which provides four tiers of support which was offered in virtual format as a result of the COVID pandemic: 1) All new novice teachers attend a structured four-day New Teacher Orientation and receive instruction in planning, preparation, classroom management, instructional strategies, and district policies; 2) All new novice teachers receive an experienced mentor and all mentors receive formal training on adult learning theory and mentoring techniques; 3) The district staff developers use a coaching model to conduct informal classroom observations and feedback sessions for every new teacher; 4) All new novice teachers participate in a five-day structured professional development program throughout the year that addresses specific concerns related to the first year of teaching. All teachers stay together as a professional learning community cohort for their first three years in the district. We have also incorporated training for all non-certified staff including substitute teachers, paraprofessionals secretaries, and bus drivers.

The district is continuing a major initiative in the form of AVID which stands for Advancement Via Individual Determination. Each word is an integral part of guiding our students towards being ready for a rich college experience if they choose this path in their lives. The program has been in effect and growing at the high school and middle school levels and has moved into the elementary schools. The program focuses heavily on literacy skills that will enable students to become stronger learners. There are several specific strategies that can be used by all teachers with our students that will be in place throughout the school year. These include the use of Cornell Note-Taking, WICOR (Writing, Inquiry, Collaboration, Organizational, and Reading) strategies, and Costa's levels of questioning (comparable to Bloom's taxonomy of how people learn). The success of the program is based on AVID's Secondary Coaching & Certification Instrument (CCI) which provides a systematic pathway to impact more students through the implementation of AVID at the high school and middle school. The CCI is structured around the four key Domains of: Instruction, Systems, Leadership, and Culture. The four Domains are further defined through Subdomains that monitor the level of AVID implementation using multiple Indicators. We have currently certified at both of our sites as we begin to look at school wide implementation over the next several years at the elementary, middle and high school levels. Our goal is to train all teachers in the AVID strategies as they use best practices to engage and instruct students.

The district is moving forward with its STEM initiative. Our supervisor of fine and technical arts, in collaboration with the high school teachers, has obtained certification with Project Lead the Way (PLTW), the nation's leading provider of science, technology, engineering, and math (STEM) programs. Through world-class K-12 curriculum, high-quality teacher professional development, and outstanding partnerships, PLTW is helping students develop the skills needed to succeed in the global economy. We are looking to coordinate our curriculum to include STEM projects throughout the disciplines. We have created Makerspaces in all eight of our schools to support this initiative.

During the 2020-2021 school year, the Monroe Township School District continued its' professional development program for all staff in a hybrid environment relating to the COVID pandemic. The program is differentiated to meet the needs of teachers at different career stages. The program included structured courses for our teachers and a strong induction program for our first, second, and third year teachers. Teaching staff with four or more years experience are allowed to develop classroom-based, instructionally focused projects. Project structures include Peer-Coaching, Lesson Study, Action Research, and self-created projects. Each staff member completes a summary form at the end of the year to describe what they learned, how it impacted their students, and any changes they plan for the coming school year. Coaching and ongoing professional development for our administrative team is critical towards the successful implementation of the above-mentioned initiatives.

Despite the COVID pandemic one district goal is to expand the Whole Child Initiative across the district. During the 2020-2021 school year, the committee offered parent education, staff training in the areas of mindfulness and restorative justice, small group counseling planning for guidance counselors, and the creation of crisis protocol for any student in need utilizing the Columbia Suicide Severity Rating Scale. Our work in conjunction with the NJ Loss Coalition. This work is expanding during the 2020-2021 school year to include more parent evenings and training for staff as well as the development of a Reunification Plan and a District Plan for after a crisis.

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

As a recipient of federal and state awards, the District also is responsible for ensuring that an adequate internal 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 evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state awards, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at fiscal year end.

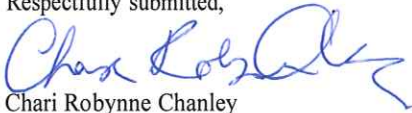
5) DEBT ADMINISTRATION: Under provisions of New Jersey statutes, school districts may not incur indebtedness greater than 4% of the average equalized valuation of taxable property. At June 30, 2021, the District's outstanding debt issues are well below the legal debt margin. The District continues to 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.

6) FINANCIAL STATUS: The Business Administrator and the Finance Committee 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 from Monroe Township. The business office utilizes purchasing co-operatives, state contracts and bids to purchase the materials needed to operate the District at the lowest possible price.

7) INDEPENDENT AUDIT: State statutes require an annual audit by independent certified public accountants. Holman Frenia Allison was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Title 2 US Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

8) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Monroe Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. Additionally, the preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



Chari Robynne Chanley
Acting Superintendent of
Schools

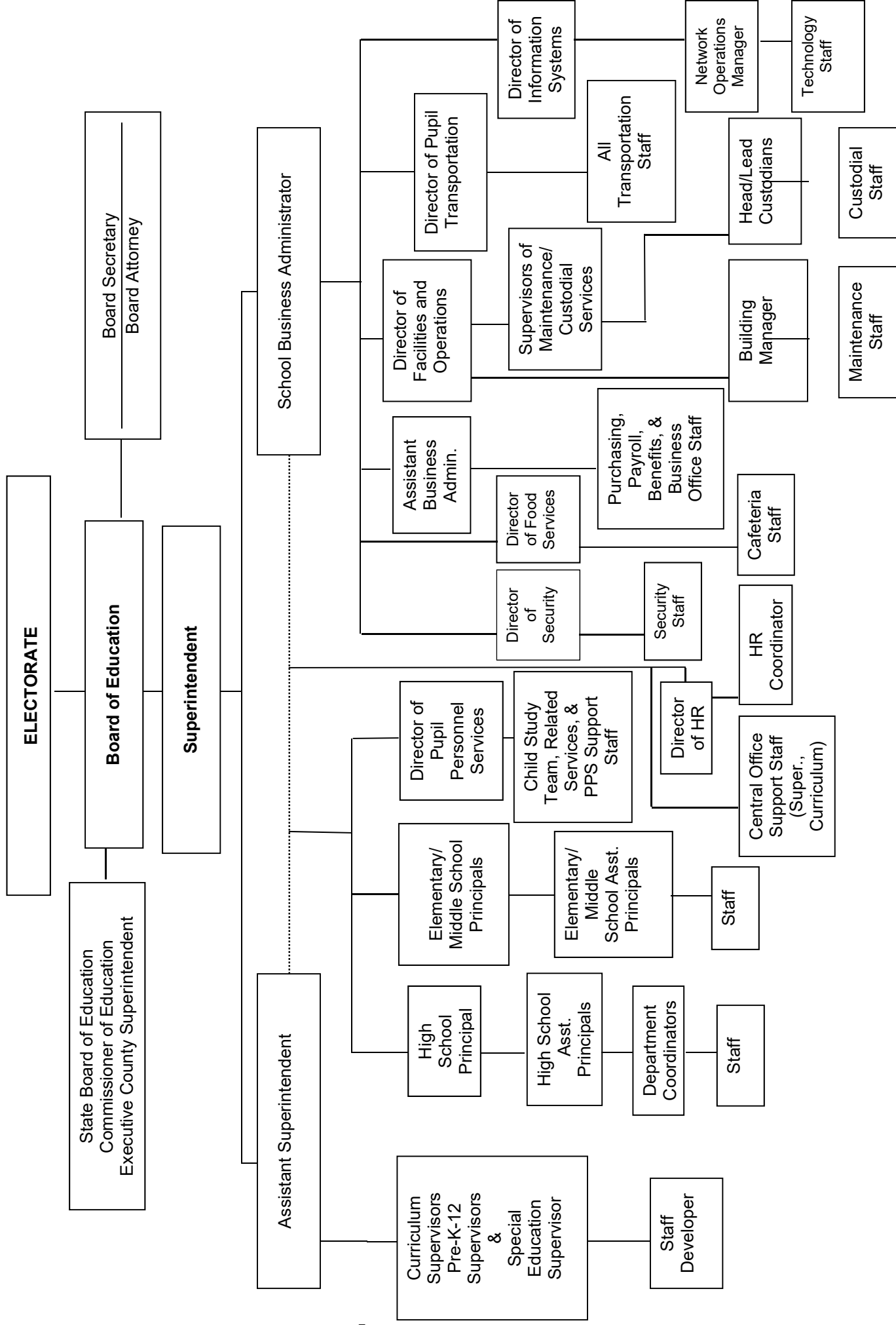


Michael C. Gorski, CPA
Board Secretary/School Business Administrator

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MONROE TOWNSHIP SCHOOL DISTRICT **Administrative Organizational Chart**

POLICY **1110 Organizational Chart**



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**TOWNSHIP OF MONROE SCHOOL DISTRICT
MONROE, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2021**

Members of the Board of Education

TERM EXPIRES

Michele Arminio	2022
Adi Nikitinsky	2022
Kathleen Belko	2023
Karen Bierman	2023
Ken Chiarella	2022
Andy Paluri	2021
Rupa Siegel	2021
Chrissy Skurbe	2023
Peter Tufano	2021
Paul Rutsky, Jamesburg Representative	2021

Other Officials

Dr. Dori L. Alvich, Superintendent of Schools

Dr. Adam M. Layman, Assistant Superintendent

Michael C. Gorski, CPA, School Business Administrator/Board Secretary

Vito Gagliardi, Esq., Board Attorney

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
MONROE, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2021**

AUDITOR/AUDIT FIRM

Robert Allison, CPA, PSA
Holman Frenia Allison, P. C.
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ATTORNEY

Mary Smith Esq (7/1/20-1/4/21)
Inhouse General Counsel
Porzio, Bromberg & Newman P.C. (1/5/21-6/30/21)
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Radnor, PA 19087

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Gallagher Bollinger
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Short Hills, NJ 07078

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FINANCIAL SECTION

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INDEPENDENT AUDITORS REPORT

Honorable President and Members
of the Board of Education
Township of Monroe School District
County of Middlesex
Monroe Township, NJ 08831

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Monroe School District, County of Middlesex, 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 audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe 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, each major fund and the aggregate remaining fund information of the Township of Monroe School District, County of Middlesex, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 Division of Administration and 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* 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 the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 28, 2022 on our consideration of the 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 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 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Lakewood, New Jersey
February 28, 2022

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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TOWNSHIP OF MONROE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDED JUNE 30, 2021

Management's Discussion and Analysis

The discussion and analysis of Monroe Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 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. 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:

- The District was initially awarded \$6,932,427 in General Fund State Aid revenue, which was preliminarily an increase of \$1,016,870 from the 2019-2020 award, however, shortly after adoption, the District was notified that the State Aid award was reduced by \$693,723, leaving The District with an increase of \$323,147. The District then adopted a plan reducing the budget by the same by eliminating proposed new portable classroom trailer leases, two proposed new instructional positions, and other miscellaneous appropriations.
- Although the constrictive tax levy cap has prevented many school districts in the state from budgeting for capital outlay projects, and equipment, within the budget, the District effectively managed to include significant projects and equipment in the 2020-2021 Budget. Those Capital Outlay Improvements included the reconfiguration of the Oak Tree Elementary School Media Center, creating two additional classrooms, Restoration, and related painting, at Barclay Brook Elementary School, An Industrial Arts Program Dust Collection System at The Monroe Township Middle School, Six New School Buses and Two additional Vans were purchased due to student enrollment or mandatory retirements due to age or condition. Finally, various instructional equipment was lease/purchased totaling approximately 1.7 million dollars.
- Nine new positions were established in the budget due to student enrollment growth.
- Employee health insurance is one of the largest line items in most school district budgets. Despite very aggressive negotiations with Horizon Healthcare, the previous Health Insurance Provider, The District changed health insurance providers for all staff to Aetna at a zero percent increase from the prior year, which saved 1.7 million dollars from Horizons final quote. Aetna's coverages are "equal or better" to Horizon's plans.
- The District's operations were materially interrupted and impacted by a global pandemic in December of 2019, caused by the novel Coronavirus, COVID-19. In March of 2020, the District transitioned to full remote learning for students and remained so until an optional hybrid system of instruction was instituted in November of 2020. Full return of students did not resume until the start of following school year, September 2021. The District took advantage of the following Federal and State grant programs offered during this year: CARES Act Grant \$112,607, Digital Divide Grant \$ 191,348, Corona Relief Fund Grant \$220,147, and Elementary and Secondary School Emergency Relief Fund II \$535.737.

TOWNSHIP OF MONROE SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED FOR YEAR ENDED JUNE 30, 2021

- The District's Enterprise Funds for Falcon Care/Early Childhood Enrollment, which provide before and after school care, and a Kindergarten wrap-around program, were materially impacted by the above-mentioned closure of schools. For the Year ended June 30, 2021, the funds had losses of \$282,547 and \$355,657 respectively. Because of these unanticipated losses, due solely to the school closure, The Falcon Care Fund could not transfer the budgeted \$600,000 of anticipated net income to the General Fund for unrestricted use by the Board of Education in the 2021/2022 budget.
- The District's Enterprise Food Service Fund had net income of \$108,254 for the year ended June 30, 2021, partially because of COVID-19 related Federal and State subsidies which increased the meal reimbursement rates for the Breakfast Program and Lunch Program. Additionally, the District received School Programs Emergency Operational Cost Reimbursement Aid of \$53,840 on Sept 14 2021, and Pandemic Electronic Transfer Administrative Cost Reimbursement Aid of \$614 on Sept 27 2021.
- The District is in compliance with S1701 with regard to designated and undesignated reserves.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Monroe 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 the School District's most significant funds with all other non-major funds presented in total in one column. In the case of the Monroe 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 2020-2021?" 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 those 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 cause of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the 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, Falcon Care and Childcare Initiative enterprise funds are reported as business activities.

TOWNSHIP OF MONROE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED
FOR YEAR ENDED JUNE 30, 2021

Reporting the School District's Most Significant Funds

Fund Financial Statements

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, proprietary funds, and fiduciary 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, all of which are considered to be major funds.

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 pages 43-45 of this report.

Proprietary Funds

The District maintains one proprietary fund type. 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, child care initiative and Falcon Care. The basic proprietary fund financial statement can be found on pages 49-51 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The district has one fiduciary fund.

Notes to the Basic Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 59-94 of this report.

TOWNSHIP OF MONROE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED
FOR YEAR ENDED JUNE 30, 2021

Other Information

As described in Note 19 to the financial statements, "Prior Period Adjustment/Restatement of Net Position", the District has adopted the provisions of GASB Statement No. 84, Fiduciary Activities, for the year ended June 30, 2021. The adoption of this principle resulted in a restatement of the District's opening net position as of July 1, 2020 in the amount of \$12,321,228.86, as indicated in Note 19 to the financial statements. The adoption of this principle resulted in a restatement of the District's opening General Fund fund balance and Special Revenue Fund fund balance as of July 1, 2020 in the amount of \$11,424,908.09 and \$376,124.88 respectively, as indicated in Note 19 to the financial statements.

The School District as a Whole

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

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 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 pages 37-38 of this report.

TOWNSHIP OF MONROE SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED

FOR YEAR ENDED JUNE 30, 2021

Government-wide Financial Analysis

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 \$19,525,669.69 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 provides a comparative summary of the School District's net position for 2021 and 2020.

	Comparative Summary of Net Position					
	Governmental Activities		Business-Type Activities		Total School District	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
Assets						
Current and other assets	\$ 17,323,268.81	\$ 10,570,523.98	\$ 505,267.78	\$ 932,346.47	\$ 17,828,536.59	\$ 11,502,870.45
Capital assets, net	157,023,329.36	161,852,645.17	605,899.70	700,641.37	157,629,229.06	162,553,286.54
Total Assets	<u>\$ 174,346,598.17</u>	<u>\$ 172,423,169.15</u>	<u>\$ 1,111,167.48</u>	<u>\$ 1,632,987.84</u>	<u>\$ 175,457,765.65</u>	<u>\$ 174,056,156.99</u>
Deferred outflows of resources						
Loss on Defeasance of Bonds	\$ 6,589,871.00	\$ 11,049,654.94	\$ -	\$ -	\$ 6,589,871.00	\$ 11,049,654.94
Pension	10,438,516.28	7,625,729	-	-	10,438,516.28	7,625,729.00
Total Deferred outflows of resources	<u>\$ 17,028,387.28</u>	<u>\$ 18,675,383.94</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,028,387.28</u>	<u>\$ 18,675,383.94</u>
Liabilities						
Current and other liabilities	\$ 4,586,473.95	\$ 3,508,659.46	\$ 57,842.46	\$ 49,711.30	\$ 4,644,316.41	\$ 3,558,370.76
Long-term liabilities outstanding	154,654,734.81	164,278,648.47	-	-	154,654,734.81	164,278,648.47
Total Liabilities	<u>\$ 159,241,208.76</u>	<u>\$ 167,787,307.93</u>	<u>\$ 57,842.46</u>	<u>\$ 49,711.30</u>	<u>\$ 159,299,051.22</u>	<u>\$ 167,837,019.23</u>
Deferred inflow of resources	<u>\$ 12,608,107.00</u>	<u>\$ 11,769,940.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,608,107.00</u>	<u>\$ 11,769,940.00</u>
Net Position						
Net investment in capital assets	\$ 53,714,692.36	\$ 44,179,899.87	\$ 605,899.70	\$ 700,641.37	\$ 54,320,592.06	\$ 44,880,541.24
Restricted	11,368,424.92	749,302.00	-	-	11,368,424.92	749,302.00
Unrestricted (deficit)	(45,557,447.59)	(33,387,896.71)	447,425.32	882,635.17	(45,110,022.27)	(32,505,261.54)
Total Net Position	<u>\$ 19,525,669.69</u>	<u>\$ 11,541,305.16</u>	<u>\$ 1,053,325.02</u>	<u>\$ 1,583,276.54</u>	<u>\$ 20,578,994.71</u>	<u>\$ 13,124,581.70</u>

The District's combined net position were \$20,578,994.71 on June 30, 2021. This is an increase of \$7,454,413.01, or 69.18% from the prior year.

The largest position of the District's net position is its net investment in capital assets (e.g., land, construction-in-progress, buildings and improvements, machinery, equipment and vehicles), 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.

Capital assets, net decreased from the prior year due to the amount of new additions associated with the District's capital projects being less than the amount of depreciation of capital assets in the current year.

Long-term liabilities decreased due to the scheduled payment of principal on debt.

Unrestricted net position increased mainly due to the restatement of prior period balance due to GASB 84.

TOWNSHIP OF MONROE SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED

FOR YEAR ENDED JUNE 30, 2021

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

	Comparative Change in Net Position					
	Governmental Activities		Business-Type Activities		Total School District	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 148,413.77	\$ 202,429.00	\$ 60,876.91	\$ 2,283,638.00	\$ 209,290.68	\$ 2,486,067.00
Operating Grants and Contributions	39,720,875.01	1,919,079.00	864,814.10	409,315.00	40,585,689.11	2,328,394.00
General Revenue:						
Property Taxes	118,556,347.00	115,696,273.00	-	-	118,556,347.00	115,696,273.00
Tuition	4,194,247.32	4,210,042.00	-	-	4,194,247.32	4,210,042.00
Federal and State Aid	7,413,608.38	31,581,216.00	-	-	7,413,608.38	31,581,216.00
Miscellaneous	662,899.11	505,381.00	2,830.29	23,945.00	665,729.40	529,326.00
Total Revenue	170,696,390.59	154,114,420.00	928,521.30	2,716,898.00	171,624,911.89	156,831,318.00
Expenses:						
Instruction	102,230,697.39	87,309,768.00	-	-	102,230,697.39	87,309,768.00
Tuition	2,258,612.59	2,160,257.00	-	-	2,258,612.59	2,160,257.00
Student and Instruction						
Related Services	19,144,913.72	19,007,547.00	-	-	19,144,913.72	19,007,547.00
School Administration	6,888,471.15	7,021,075.00	-	-	6,888,471.15	7,021,075.00
General Administration	5,566,868.09	6,359,106.00	-	-	5,566,868.09	6,359,106.00
Operation and Maintenance						
of Facilities	12,635,450.57	15,939,228.00	-	-	12,635,450.57	15,939,228.00
Pupil Transportation	11,608,116.57	9,811,706.00	-	-	11,608,116.57	9,811,706.00
Interest on Debt	3,141,392.53	5,026,947.00	-	-	3,141,392.53	5,026,947.00
Charter Schools	-	196,051.00	-	-	-	196,051.00
Business Type Activities	-	-	1,458,472.81	2,740,673.00	1,458,472.81	2,740,673.00
Total Expenses	163,474,522.61	152,831,685.00	1,458,472.81	2,740,673.00	164,932,995.42	155,572,358.00
Special and Extraordinary Items, Net	(17,427.15)	600,000.00	-	(600,000.00)	(17,427.15)	600,000.00
Change in Net Position	7,204,440.83	1,882,735.00	(529,951.51)	(623,775.00)	6,674,489.32	1,858,960.00
Net Position - beginning*	12,321,228.86	9,658,571.00	1,583,276.54	2,207,051.00	13,904,505.40	9,658,571.00
Net Position - ending	19,525,669.69	11,541,306.00	1,053,325.03	1,583,276.00	20,578,994.72	11,517,531.00

*Beginning Net Position was restated for June 30, 2020. Please see Note 19.

General Fund Budgetary Highlights

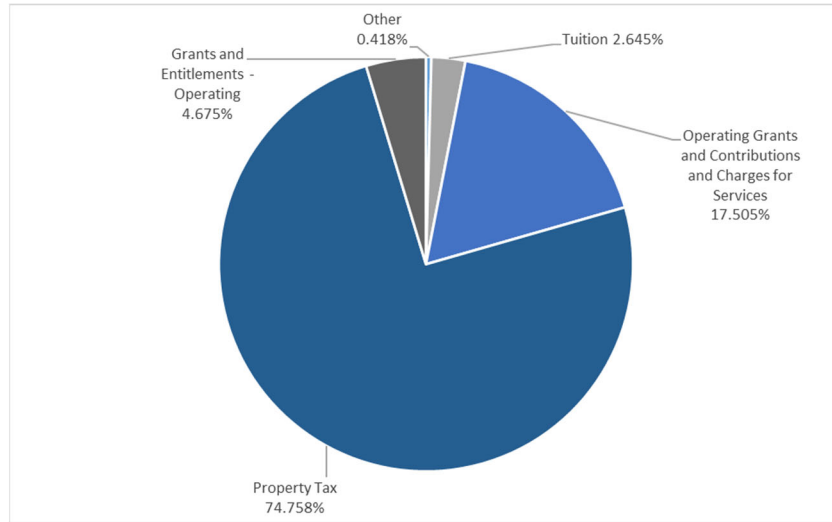
The District budget is prepared according to New Jersey Statutes. The most significant budgeted fund is the general fund. During the fiscal year, there were several differences between the original budget and the final amended budget as a result of transfers being applied; to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. These transfers were made between line items as part of the normal process as permitted by State guidelines. These significant revisions include the special education, personnel services and transportation accounts due to increased student classifications, benefits cost increases, volatile petroleum prices and increased fleet. Readers should refer to Section C of the financial report for comparisons between actual and budgeted amounts.

Described on the next few pages 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.

TOWNSHIP OF MONROE SCHOOL DISTRICT
MANAGEMENT'S DISUCSSION AND ANALYSIS-CONTINUED
FOR YEAR ENDED JUNE 30, 2021

Governmental Activities

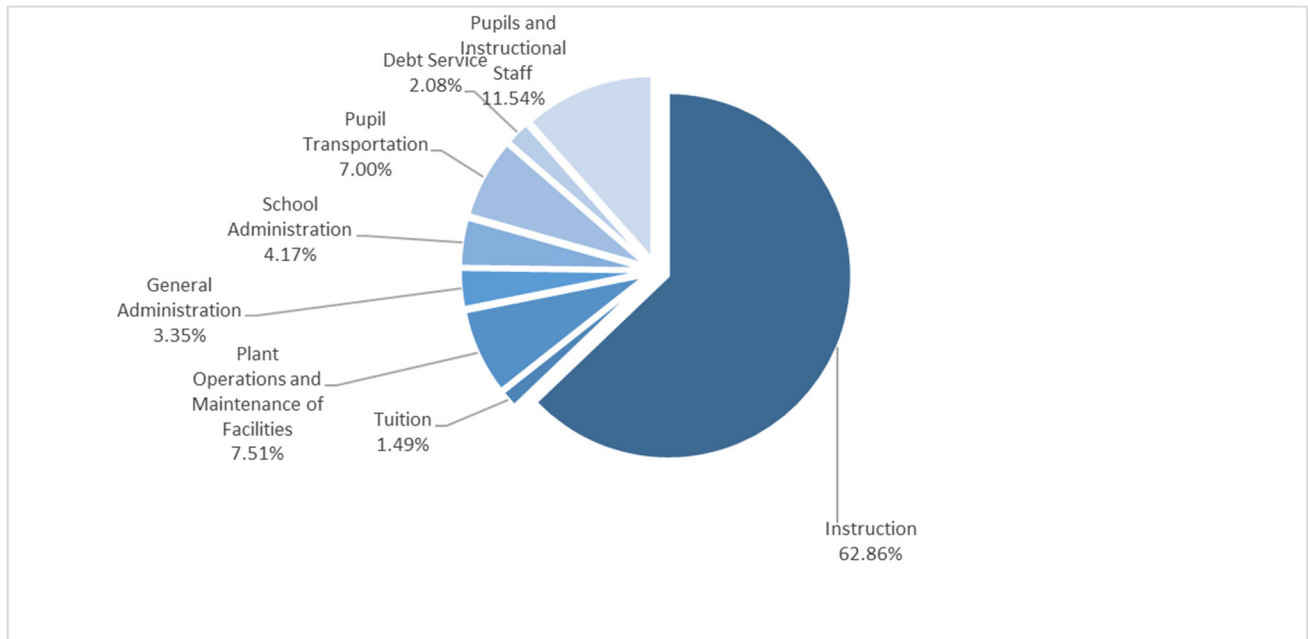
Revenues for Fiscal Year 2021



The unique nature of property taxes in New Jersey creates the legal requirement to annually seek voter approval for the School District operations. Property taxes of \$118,556,347 made up 74.758% of revenue for governmental activities for the Monroe School District for fiscal year 2021. Federal, state and local grants for operating purposes and charges for services accounted for another \$27,760,273.78 or 17.505% of revenue. The District's total revenues were \$158,587,375.59 for the year ended June 30, 2021.

Expenses for Fiscal Year 2021

The District's total cost of all programs and services was \$151,365,507.61 for the year ended June 30, 2021.



TOWNSHIP OF MONROE SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED

FOR YEAR ENDED JUNE 30, 2021

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.

Comparative Statement of Activities

	Total Cost of Services			Net Cost of Services		
	2020-2021	2019-2020	% Change	2020-2021	2019-2020	% Change
Instruction	\$ 102,230,697	\$ 87,309,767	17%	\$ 69,763,402	\$ 86,007,096	-19%
Support Services:						
Tuition	2,258,613	2,160,257	5%	2,258,613	2,160,257	5%
Pupils and Instructional Staff	19,144,914	19,007,547	1%	16,395,426	19,007,547	-14%
General Administration	5,566,868	6,359,106	-12%	2,021,652	6,168,396	-67%
School Administration	6,888,471	7,021,075	-2%	9,001,208	7,021,075	28%
Operation and Maintenance of Facilities	12,635,451	15,939,228	-21%	10,934,465	15,939,228	-31%
Pupil Transportation	11,608,117	9,811,706	18%	10,089,075	9,609,277	5%
Charter School	-	196,051	-100%	-	196,051	-100%
Interest and Fiscal Charges	3,141,393	5,026,947	-38%	3,141,393	4,601,251	-32%
Total Expenses	<u>\$ 163,474,523</u>	<u>\$ 152,831,684</u>	<u>-131.91%</u>	<u>\$ 123,605,234</u>	<u>\$ 150,710,178</u>	<u>-225%</u>

The main change in the allocation between Net Cost of Services and between the current year and the prior year is the result of an allocation change in how the operating grants and contributions was calculated.

Tuition relates to expenses related to placing special needs student in out of district private schools.

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.

"Other" includes special and charter schools.

TOWNSHIP OF MONROE SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED FOR YEAR ENDED JUNE 30, 2021

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects 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 \$154,665,870 and expenditures exclusive of capital projects were \$152,270,532.45.

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

Revenue	2020-2021		2019-2020		Increase/(Decrease) from 2019-2020 to 2020-2021
	Amount	Percent of Total	Amount	Percent of Total	
Local Sources	\$ 123,561,907	79.89%	\$ 120,616,625	82.92%	\$ 2,945,282
State Sources	28,886,790	18.68%	23,300,422	16.02%	5,586,368
Federal Sources	2,217,173	1.43%	1,551,669	1.07%	665,504
	<u>\$ 154,665,870</u>	<u>100.00%</u>	<u>\$ 145,468,716</u>	<u>100.00%</u>	<u>\$ 9,197,154</u>

Local revenues increased due to a tax levy increase.

State revenue from all sources increased compared with 2021 due to a significant increase in the number of on-behalf post retirement payments.

Federal revenues increased slightly because of additional grant related to COVID-19.

The following schedule presents a comparative summary of general fund, special revenue fund and debt service 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

Expenditures	2020-2021		2019-2020		Increase/Decrease from 2019-2020 to 2020-2021
	Amount	Percent of Total	Amount	Percent of Total	
Current Expense:					
Instruction	\$ 52,704,279	34.61%	\$ 34,518,275	23.23%	\$ 18,186,004.25
Undistributed					
Expenditures	86,465,668	56.78%	98,495,578	66.29%	(12,029,910)
Capital Outlay	2,765,897	1.82%	3,772,586	2.54%	(1,006,689)
Charter School			196,051	0.13%	(196,051)
Debt Service:					
Principal	7,230,000	4.75%	6,590,000	4.44%	640,000
Interest	3,104,688	2.04%	5,018,075	3.38%	(1,913,387)
	<u>\$ 152,270,532.45</u>	<u>100%</u>	<u>\$ 148,590,565.00</u>	<u>100%</u>	<u>\$ 5,593,354.47</u>

TOWNSHIP OF MONROE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED
FOR YEAR ENDED JUNE 30, 2021

Business-Type Activities

Food Service

Revenues for the District's food service program were comprised of charges for services and federal and state reimbursements.

Food service revenues exceeded expenses by \$108,254.11

Charges for services were \$16,939.41 or 1.92% of revenue. This represents amounts paid by patrons for daily food service, as well as special functions.

Federal and state reimbursement for meals, including payments for free and reduced priced lunches and breakfast was \$686,236.15. During the 2020-21 school year all students received free lunches.

Childcare Initiative (ECE)

Revenues for ECE were comprised of charges for services paid by families in Monroe Township.

ECE expenses exceeded revenue by \$282,547.67 resulting in a deficit of net position of 16,100.76.

Falcon Care

The District Administration designed and implemented Falcon Care, a before and after school-care program for grades K through 5.

Revenues for Falcon Care were comprised of charges for services paid by Monroe families for before and after school care.

Falcon Care expenses exceeded revenues \$355,657.96 resulting in net position of \$269,479.07

Capital Assets

At the end of the fiscal year 2021, the School District had \$238,672,037.67 invested in land, buildings, furniture, equipment and vehicles. Table 4 shows fiscal 2021 balances compared to 2020.

	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
Land	\$ 368,806	\$ 368,806	\$ -	\$ -	\$ 368,806	\$ 368,806
Site and Site						
Improvements	7,201,606	7,893,561	-	-	7,201,606	7,893,561
Building and Building						
Improvements	141,040,795	144,835,767	-	-	141,040,795	144,835,767
Machinery and						
Equipment	8,412,122	8,005,209	605,900	678,163	9,018,021	8,705,850
Total Capital Assets-						
Net of Depreciations	\$ 157,023,329	\$ 161,103,343	\$ 605,900	\$ 678,163	\$ 157,629,229	\$ 161,803,984

Refer to Notes to Financial Statements (Note 5) for more detailed information.

Overall capital assets (net) decreased by \$4,174,755.48 from fiscal year 2020 to fiscal year 2021. The decrease in capital assets is due to a slight decrease in depreciation which offset by a lower level added improvements.

TOWNSHIP OF MONROE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS-CONTINUED
FOR YEAR ENDED JUNE 30, 2021

Debt Administration

The School District has outstanding debt at June 30th as follows:

	2021		2020
Compensated Absence	\$ 4,649,671	\$	4,104,025
Capital Leases	5,811,292		5,504,073
Serial Bonds	111,135,000		118,365,000
Totals	\$ 121,595,963	\$	127,973,098

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

For the Future

The Monroe Township School District is presently in good financial condition. The District is very proud and grateful of the community's support for its operations. A major District concern is the continued enrollment growth, which has prompted the deliberative process for a bond referendum. Another significant concern is the insufficient and inequitable State Aid funding which has put a burden on local taxpayers. The District continues to explore every opportunity to operate efficiently without compromising the vast student centered programs and services which are paying great dividends.

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 Mr. Michael C. Gorski, CPA, School Business Administrator/Board Secretary, at the Monroe Township School District, 423 Buckelew Avenue, Monroe Township, NJ, 08831.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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TOWNSHIP OF MONROE SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 14,906,391.62	\$ 222,315.44	\$ 15,128,707.06
Cash Held With Fiscal Agent	178,411.46	-	178,411
Receivables, Net (Note 4)	1,286,816.50	163,472.39	1,450,288.89
Inventory	-	119,479.95	119,479.95
Restricted Cash & Cash Equivalents	570,802.00	-	570,802.00
Other Current Assets	380,847.23	-	380,847.23
Capital Assets, Net (Note 5)			
Non-Depreciable	368,806.00	-	368,806.00
Depreciable	156,654,523.36	605,899.70	157,260,423.06
Total Assets	174,346,598.17	1,111,167.48	175,457,765.65
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	6,589,871.00	-	6,589,871.00
Related to Loss on Debt Refunding	10,438,516.28	-	10,438,516.28
Total Deferred Outflow of Resources	17,028,387.28	-	17,028,387.28
LIABILITIES:			
Accounts Payable	285,211.87	4,634.99	289,846.86
Due to Other Governments	2,000,000.00	-	2,000,000.00
Unearned Revenue	171,624.74	53,207.47	224,832.21
Accrued Interest	1,243,577.55	-	1,243,577.55
Payroll Deductions and Withholdings	8,563.48		8,563.48
Unemployment Liability	34,954.68	-	34,954.68
Other Liabilities	842,541.63	-	842,541.63
Noncurrent Liabilities (Note 7):			
Due Within One Year	9,929,223.16	-	9,929,223.16
Due in More Than One Year	144,725,511.65	-	144,725,511.65
Total Liabilities	159,241,208.76	57,842.46	159,299,051.22
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	12,608,107.00	-	12,608,107.00
Total Deferred Inflow of Resources	12,608,107.00	-	12,608,107.00
NET POSITION:			
Net Investment in Capital Assets	53,714,692.36	605,899.70	54,320,592.06
Restricted for:			
Capital Projects	570,802.00	-	570,802.00
Debt Service	478,236.50	-	478,236.50
Unemployment Claims	403,798.82	-	403,798.82
Student Activities	389,253.40	-	389,253.40
Excess Surplus	9,526,334.20	-	9,526,334.20
Unrestricted (Deficit)	(45,557,447.59)	447,425.32	(45,110,022.27)
Total Net Position	\$ 19,525,669.69	\$ 1,053,325.02	\$ 20,578,994.71

**TOWNSHIP OF MONROE SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 70,507,452.28	\$ -	\$ 22,907,994.48	\$ (47,599,457.80)	\$ -	\$ (47,599,457.80)
Special Education Instruction	26,717,340.34	-	8,050,850.26	(18,666,490.08)	-	(18,666,490.08)
Other Instruction	5,005,904.76	-	1,508,450.51	(3,497,454.25)	-	(3,497,454.25)
Support Services:						
Tuition	2,258,612.59	-	-	(2,258,612.59)	-	(2,258,612.59)
Student & Instruction Related Services	19,144,913.72	-	2,749,487.86	(16,395,425.86)	-	(16,395,425.86)
General Administrative	2,292,317.53	-	270,665.25	(2,021,652.28)	-	(2,021,652.28)
School Administrative Services	6,888,471.15	-	775,171.49	(6,113,299.66)	-	(6,113,299.66)
Central Services	1,755,352.02	-	207,263.12	(1,548,088.90)	-	(1,548,088.90)
Administrative Info. Technology	1,519,198.54	-	179,379.23	(1,339,819.31)	-	(1,339,819.31)
Plant Operations & Maintenance	12,635,450.57	-	1,700,985.13	(10,934,465.44)	-	(10,934,465.44)
Pupil Transportation	11,608,116.57	148,413.77	1,370,627.67	(10,089,075.13)	-	(10,089,075.13)
Interest & Other Charges	3,141,392.53	-	-	(3,141,392.53)	-	(3,141,392.53)
Total Governmental Activities	163,474,522.61	148,413.77	39,720,875.01	(123,605,233.83)	-	(123,605,233.83)
Business-Type Activities:						
Food Service	773,499.40	16,939.41	864,814.10	-	108,254.11	108,254.11
Early Childhood Enrichment	286,527.47	3,979.80	-	-	(282,547.67)	(282,547.67)
Falcon Care	398,445.95	39,957.70	-	-	(358,488.25)	(358,488.25)
Total Business-Type Activities	1,458,472.82	60,876.91	864,814.10	-	(532,781.81)	(532,781.81)
Total Primary Government	\$ 164,932,995.43	\$ 209,290.68	\$ 40,585,689.11	(123,605,233.83)	(532,781.81)	(124,138,015.64)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				108,062,274.00	-	108,062,274.00
Property Taxes, Levied for Debt Service				10,494,073.00	-	10,494,073.00
Federal & State Aid Restricted				212,665.00	-	212,665.00
Federal & State Aid Not Restricted				7,200,943.38	-	7,200,943.38
Tuition Charges				4,194,247.32	-	4,194,247.32
Interest on Investments				86,506.71	2,830.29	89,337.00
Miscellaneous				576,392.40	-	576,392.40
Total General Revenues				130,827,101.81	2,830.29	130,829,932.10
Change in net position before extraordinary item and transfers				7,221,867.98	(529,951.52)	6,691,916.46
Extraordinary item						
Adjustment on Capital Assets				(17,427.15)	-	(17,427.15)
Total Extraordinary Items				(17,427.15)	-	(17,427.15)
Change In Net Position				7,204,440.83	(529,951.52)	6,674,489.31
Net Position - Beginning (As Restated, Note 19)				12,321,228.86	1,583,276.54	13,904,505.40
Net Position - Ending				\$ 19,525,669.69	\$ 1,053,325.02	\$ 20,578,994.71

B. Fund Financial Statements

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Governmental Funds

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021**

	MAJOR FUNDS			
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash & Cash Equivalents	\$ 14,182,150.90	\$ 246,004.22	\$ 478,236.50	\$ 14,906,391.62
Cash Held with Fiscal Agent	178,411.46	-	-	178,411.46
Receivables, Net:				
Due from Other Governments:				
Federal	-	143,249.18	-	143,249.18
State	1,117,386.61	-	-	1,117,386.61
Other Accounts Receivable	26,180.71	-	-	26,180.71
Other Current Assets	380,847.23	-	-	380,847.23
Restricted Cash & Cash Equivalents	570,802.00	-	-	570,802.00
Total Assets	<u>\$ 16,455,778.91</u>	<u>\$ 389,253.40</u>	<u>\$ 478,236.50</u>	<u>\$ 17,323,268.81</u>
LIABILITIES & FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 285,211.87	\$ -	\$ -	\$ 285,211.87
Payroll Deductions and Withholdings	8,563.48	-	-	8,563.48
Unemployment Liability	34,954.68	-	-	34,954.68
Unearned Revenue	171,624.74	-	-	171,624.74
Other Liabilities	842,541.63	-	-	842,541.63
Total Liabilities	<u>1,342,896.40</u>	<u>-</u>	<u>-</u>	<u>1,342,896.40</u>
Fund Balances:				
Restricted for:				
Capital Reserve	570,802.00	-	-	570,802.00
Excess Surplus	4,425,560.19	-	-	4,425,560.19
Excess Surplus Designated				
for Subsequent Year	5,100,774.01	-	-	5,100,774.01
Unemployment Claims	403,798.82	-	-	403,798.82
Debt Service	-	-	478,236.50	478,236.50
Student Activities	-	389,253.40	-	389,253.40
Assigned to:				
Other Purposes	162,531.49	-	-	162,531.49
Unassigned	4,449,416.00	-	-	4,449,416.00
Total Fund Balances	<u>15,112,882.51</u>	<u>389,253.40</u>	<u>478,236.50</u>	<u>15,980,372.41</u>
Total Liabilities & Fund Balances	<u>16,455,778.91</u>	<u>389,253.40</u>	<u>478,236.50</u>	
Amounts reported for <i>governmental activities</i> 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 \$236,563,242.84 and the accumulated depreciation is \$79,539,913.48.				157,023,329.36
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.				
Deferred Outflows Related to Pensions				6,589,871.00
Deferred Inflows Related to Pensions				(12,608,107.00)
Deferred Outflow Related to the Loss on Bond Refunding of Debt				10,438,516.28
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.				(1,243,577.55)
Accrued pension contributions for the June 30, 2021 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.				(2,000,000.00)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.				(154,654,734.81)
Net Position of Governmental Activities				<u>\$ 19,525,669.69</u>

**TOWNSHIP OF MONROE SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2021**

	MAJOR FUNDS			TOTAL
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	GOVERNMENTAL FUNDS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 108,062,274.00	\$ -	\$ 10,494,073.00	\$ 118,556,347.00
Tuition Charges	4,194,247.32	-	-	4,194,247.32
Interest on Investments	86,506.71	-	-	86,506.71
Transportation Charges	148,413.77	-	-	148,413.77
Miscellaneous	279,421.52	296,970.88	-	576,392.40
Total Local Sources	112,770,863.32	296,970.88	10,494,073.00	123,561,907.20
State Sources	28,674,125.43	-	212,665.00	28,886,790.43
Federal Sources	66,535.77	2,150,637.01	-	2,217,172.78
Total Revenues	141,511,524.52	2,447,607.89	10,706,738.00	154,665,870.41
Expenditures:				
Instruction:				
Regular Instruction	34,687,912.24	1,661,683.01	-	36,349,595.25
Special Education Instruction	13,773,926.92	-	-	13,773,926.92
Other Instruction	2,580,757.08	-	-	2,580,757.08
Support Services:				
Tuition	2,258,612.59	-	-	2,258,612.59
Attendance & Social Work Services	6,000.00	-	-	6,000.00
Health Services	1,234,642.36	-	-	1,234,642.36
Student & Instruction Related Services	10,513,632.93	772,796.36	-	11,286,429.29
General Administrative	1,499,930.20	-	-	1,499,930.20
School Administrative Services	4,295,720.68	-	-	4,295,720.68
Central Services	1,148,578.22	-	-	1,148,578.22
Administrative Information Technology	994,055.64	-	-	994,055.64
Plant Operations & Maintenance	9,426,252.31	-	-	9,426,252.31
Pupil Transportation	7,595,529.22	-	-	7,595,529.22
Unallocated Benefits	25,424,893.00	-	-	25,424,893.00
On Behalf TPAF Pension and Social Security Contributions	21,295,024.82	-	-	21,295,024.82
Capital Outlay	2,765,896.89	-	-	2,765,896.89
Debt Service:				
Principal	-	-	7,230,000.00	7,230,000.00
Interest & Other Charges	106,185.00	-	2,998,502.98	3,104,687.98
Total Expenditures	139,607,550.10	2,434,479.37	10,228,502.98	152,270,532.45
Excess/(Deficiency) of Revenues Over Expenditures	1,903,974.42	13,128.52	478,235.02	2,395,337.96
Other Financing Sources (Uses):				
Capital Lease (Non-Budgeted)	1,784,000.00	-	-	1,784,000.00
Total Other Financing Sources (Uses)	1,784,000.00	-	-	1,784,000.00
Net Changes in Fund Balances	3,687,974.42	13,128.52	478,235.02	4,179,337.96
Fund Balance, July 1 (As Restated, Note 19)	11,424,908.09	376,124.88	1.48	11,801,034.45
Fund Balance, June 30	\$ 15,112,882.51	\$ 389,253.40	\$ 478,236.50	\$ 15,980,372.41

**TOWNSHIP OF MONROE SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ 4,179,337.96

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

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

Depreciation Expense	\$ (6,505,093.41)	
Adjustments on Capital Assets	(17,427.15)	
Capital Outlays	<u>2,442,506.75</u>	
		(4,080,013.81)

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.

313,928.00

Repayment of long-term debt principal and obligation of lease purchase agreements are 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.

	Serial Bonds	7,230,000.00
	Obligations under Capital leases	<u>1,476,780.99</u>
		8,706,780.99

Issuance from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Capital Lease Proceeds	<u>(1,784,000.00)</u>	(1,784,000.00)
------------------------	-----------------------	----------------

Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

Amortization of Premium on Bonds	904,885.89	
Amortization of Loss on Bond Refunding	<u>(611,138.66)</u>	
		293,747.23

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 accrued interest is an addition in the reconciliation (+).

(36,710.32)

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 (+).

(388,629.22)

Change in Net Position of Governmental Activities

\$ 7,204,440.83

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Proprietary Funds

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2021**

	MAJOR FUNDS			
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	EARLY CHILDHOOD ENRICHMENT	FALCON CARE	TOTALS
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ -	\$ -	\$ 279,661.87	\$ 279,661.87
Accounts Receivable:				
Federal	156,091.54	-	-	156,091.54
State	7,380.85	-	-	7,380.85
Inventories	119,479.95	-	-	119,479.95
Total Current Assets	282,952.34	-	279,661.87	562,614.21
Noncurrent Assets:				
Capital Assets	2,028,078.44	80,716.38	-	2,108,794.82
Less: Accumulated Depreciation	(1,434,286.43)	(68,608.69)	-	(1,502,895.12)
Total Capital Assets, Net	593,792.01	12,107.69	-	605,899.70
Total Noncurrent Assets	593,792.01	12,107.69	-	605,899.70
Total Assets	876,744.35	12,107.69	279,661.87	1,168,513.91
LIABILITIES				
Current Liabilities:				
Cash Deficit	\$ 45,237.98	12,108.45	-	57,346.43
Accounts Payable	4,634.99	-	-	4,634.99
Unearned Revenue	26,924.67	16,100.00	10,182.80	53,207.47
Total Current Liabilities	76,797.64	28,208.45	10,182.80	115,188.89
NET POSITION				
Net Investment in Capital Assets	593,792.01	12,107.69	-	605,899.70
Unrestricted	206,154.70	(28,208.45)	269,479.07	447,425.32
Total Net Position	\$ 799,946.71	\$ (16,100.76)	\$ 269,479.07	\$ 1,053,325.02

**TOWNSHIP OF MONROE SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2021**

	MAJOR FUNDS			
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	EARLY CHILDHOOD ENRICHMENT	FALCON CARE	TOTALS
Operating Revenues:				
Charges for Services:				
Daily Sales - Non-Reimbursable Programs	\$ 15,456.40	\$ -	\$ -	\$ 15,456.40
Tuition	-	3,979.80	39,957.70	43,937.50
Miscellaneous	1,483.01	-	-	1,483.01
Total Operating Revenues	16,939.41	3,979.80	39,957.70	60,876.91
Operating Expenses:				
Cost of Sales - Reimbursable Programs	219,069.87	-	-	219,069.87
Cost of Sales - Non-Reimbursable Programs	2,213.08	-	-	2,213.08
Salaries	146,450.96	175,350.00	352,586.85	674,387.81
Employee Benefits	-	85,368.63	35,834.81	121,203.44
Supplies and Materials	49,189.33	17,737.20	10,024.29	76,950.82
Depreciation	118,793.53	8,071.64	-	126,865.17
Purchased Technical	237,782.63	-	-	237,782.63
Total Operating Expenses	773,499.40	286,527.47	398,445.95	1,458,472.82
Operating Income/(Loss)	(756,559.99)	(282,547.67)	(358,488.25)	(1,397,595.91)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	26,690.50	-	-	26,690.50
Federal Sources:				
National School Lunch Program	481,721.22	-	-	481,721.22
National School Breakfast Program	177,824.43	-	-	177,824.43
Food Distribution Program	97,369.28	-	-	97,369.28
Emergency Operational Cost Program-Schools	53,840.83	-	-	53,840.83
NSLP Equipment Assistance	27,367.84	-	-	27,367.84
Interest Revenue	-	-	2,830.29	2,830.29
Total Nonoperating Revenues/(Expenses)	864,814.10	-	2,830	867,644
Change in Net Position	108,254.11	(282,547.67)	(355,657.96)	(529,951.52)
Total Net Position - Beginning	691,692.60	266,446.91	625,137.03	1,583,276.54
Total Net Position - Ending	\$ 799,946.71	\$ (16,100.76)	\$ 269,479.07	\$ 1,053,325.02

**TOWNSHIP OF MONROE SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

	MAJOR FUNDS			
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	EARLY CHILDHOOD ENRICHMENT	FALCON CARE	TOTALS
Cash Flows From Operating Activities:				
Receipts from Customers	\$ (76,897.46)	\$ 20,079.80	\$ 44,015.50	\$ (12,802.16)
Payments to Employees	(146,450.96)	(175,350.00)	(352,586.85)	(674,387.81)
Payments for Employee Benefits	-	(85,368.63)	(35,834.81)	(121,203.44)
Payments to Suppliers	(449,995.15)	(54,398.20)	(16,730.29)	(521,123.64)
Net Cash Provided by/(Used for) Operating Activities	(673,343.57)	(295,037.03)	(361,136.45)	(1,329,517.05)
Cash Flows From Noncapital Financing Activities:				
State Sources	26,690.50	-	-	26,690.50
Federal Sources	740,754.31	-	-	740,754.31
Net Cash Provided by/(Used for) Noncapital Financing Activities	767,444.81	-	-	767,444.81
Cash Flows From Capital & Related Financing Activities:				
Purchases of Capital Assets	(32,123.49)	-	-	(32,123.49)
Net Cash Provided by/(Used for) Capital & Related Financing Activities	(32,123.49)	-	-	(32,123.49)
Cash Flows From Investing Activities				
Interest	-	-	2,830.29	2,830.29
Net Cash Provided by/(Used for) Investing Activities	-	-	2,830.29	2,830.29
Net Increase/(Decrease) in Cash & Cash Equivalents	61,977.75	(295,037.03)	(358,306.16)	(591,365.44)
Balances - Beginning of Year	(107,215.73)	282,928.58	637,968.03	813,680.88
Balances - End of Year	\$ (45,237.98)	\$ (12,108.45)	\$ 279,661.87	\$ 222,315.44
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Operating Income/(Loss)	\$ (756,559.99)	\$ (282,547.67)	\$ (358,488.25)	\$ (1,397,595.91)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	118,793.53	8,071.64	-	126,865.17
Food Distribution Program	97,369.28	-	-	97,369.28
(Increase)/Decrease in Accounts Receivable, Net	(120,761.54)	-	-	(120,761.54)
(Increase)/Decrease in Other Current Assets	(43,525.21)	-	-	(43,525.21)
Increase/(Decrease) in Unearned Revenue	26,924.67	16,100.00	4,057.80	47,082.47
Increase/(Decrease) in Accounts Payable	4,415.69	(36,661.00)	(6,706.00)	(38,951.31)
Total Adjustments	83,216.42	(12,489.36)	(2,648.20)	68,078.86
Net Cash Provided/(Used) by Operating Activities	\$ (673,343.57)	\$ (295,037.03)	\$ (361,136.45)	\$ (1,329,517.05)

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Fiduciary Fund

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EXHIBIT B-7

**TOWNSHIP OF MONROE SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021**

	PRIVATE- PURPOSE
ASSETS	
Cash & Cash Equivalents	<u>\$ 18,208.17</u>
Total Assets	<u>18,208.17</u>
LIABILITIES	
Accounts Payable	<u>1,749.26</u>
Total Liabilities	<u>1,749.26</u>
NET POSITION	
Reserved	<u>16,458.91</u>
Total Net Position	<u><u>\$ 16,458.91</u></u>

EXHIBIT B-8

**TOWNSHIP OF MONROE SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2021**

	PRIVATE- PURPOSE
ADDITIONS	
Contributions:	
Other	\$ -
Total Contributions	-
Total Additions	-
DEDUCTIONS	
Other	-
Total Deductions	-
Change in Net Position	-
Net Position - Beginning	16,458.91
Net Position - Ending	\$ 16,458.91

TOWNSHIP OF MONROE SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

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TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Monroe Township School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The School District is a Type II district located in the County of Middlesex, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of ten members, nine from the Township of Monroe are elected to three year staggered terms and one is appointed to an annual term from the Borough of Jamesburg (sending district). The District provides a full range of educational services appropriate to grades levels K through 12th grade includes both regular and special education programs. The School District has an approximate enrollment at June 30, 2021 of students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14, *The Financial Reporting Entity* , provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* , and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* , GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84* . The School District had no component units as of for the year ended June 30, 2021.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 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.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that 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.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

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

Childcare Initiative - This fund provides for the Early Childhood Enrichment (ECE) program for students who are registered in the Monroe School District Kindergarten half-day classes; the childcare is for the first or second half of a child's day.

Falcon Care - This fund provides a before and after school-care program for grades K through 5.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The School District's fiduciary funds include the unemployment compensation and private purpose trust funds and agency funds. The trust funds are reported using the "economic resources" measurement focus. Agency Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Agency Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Private Purpose Trust Funds

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(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:23-2-11.

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 payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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 accounts as presented in the general fund budgetary comparison schedules 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 Balance – 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 modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue 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 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. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are considered cash equivalents and stated at cost.

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.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"). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks 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 full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

Tuition Receivable/Payable

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives
School Buildings	50 Years
Building improvements	20 Years
Electrical/Plumbing	30 Years
Vehicles	6-8 Years
Office and Computer Equipment	5-20 Years
Instructional Equipment	5-15 Years
Grounds Equipment	5-15 Years
Food Service Equipment	7-20 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are 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 entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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 measureable and the School District is eligible to realize the revenue.

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, government 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.

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 assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

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

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

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

Pensions

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

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This 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. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These 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) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position, represents the difference between 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 components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of 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 – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2021:

For the year June 30, 2021 the District implemented GASB Statement No. 84, Fiduciary Activities. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities.

Statement No. 83, Certain Asset Retirement Obligations. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. Requirements of this pronouncement related to section 1, paragraph 4 are effective immediately. All other requirements will be effective for reporting periods beginning June 15, 2021. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 87, Leases. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Statement No. 93, Replacement of Interbank Offered Rates. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 and seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2021, the School District’s bank balance of \$10,685,003 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 8,849,745
Uninsured and Uncollateralized	<u>1,835,257</u>
Total	<u><u>\$ 10,685,003</u></u>

New Jersey Cash Management Fund

All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any shortterm security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the 'Other than State' participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of June 30, 2021, the District had \$7,394,123.83 on deposit with the New Jersey Cash Management Fund.

Investments

New Jersey statutes permit the District to purchase the following type of securities:

- a Bonds and Other obligations of the United State or obligation guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal home Loan Bank, Federal national Mortgage Agency or of any Untied State Bank, which have a maturity date not greater than twelve month from the date of purchase.
- c. New Jersey Cash Management Fund and new Jersey Asset and Rebate Management Fund.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by the inclusion in September of 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 3. Reserve Accounts (Continued)

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 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 either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-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	\$ 749,302.00
Increased by:	
Interest Earnings	1,500.00
	<u>750,802.00</u>
Decreased by:	
Budget Withdrawals	180,000.00
Ending Balance, June 30, 2021	<u><u>\$ 570,802.00</u></u>

Unemployment Claim Reserve

Unemployment Claim Reserve funds are restricted pursuant to *N.J.S.A. 43:21-7.3(g)*, which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2020 (Restated)	<u>\$ 403,798.82</u>
Ending Balance, June 30, 2021	<u><u>\$ 403,798.82</u></u>

Note 4. Accounts Receivable

Accounts receivable at June 30, 2021 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2021, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>		
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>
Federal Awards	\$ -	\$ 143,249.18	\$ 143,249.18
State Awards	1,117,386.61	-	1,117,386.61
Other	26,180.71	-	26,180.71
Total	<u>\$ 1,143,567.32</u>	<u>\$ 143,249.18</u>	<u>\$ 1,286,816.50</u>

<u>Description</u>	<u>Proprietary Funds</u>	
	<u>Food Service Fund</u>	<u>Total Business-Type Activities</u>
Federal Awards	\$ 156,091.54	\$ 156,091.54
State Awards	7,380.85	7,380.85
Total	<u>\$ 163,472.39</u>	<u>\$ 163,472.39</u>

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 5. Capital Assets

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

	Governmental Activities			
	Balance July 1, <u>2020</u>	<u>Additions</u>	Retirements and Adjustments	Balance June 30, <u>2021</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 368,806.00	\$ -	\$ -	\$ 368,806.00
Total Capital Assets not being depreciated	368,806.00	-	-	368,806.00
Capital Assets being depreciated:				
Land Improvements	15,309,523.97	5,585.00	(195,597.56)	15,119,511.41
Buildings and Improvements	197,012,946.13	337,085.70	-	197,350,031.83
Equipment	21,703,759.28	2,099,836.05	(78,701.73)	23,724,893.60
Total Capital Assets being depreciated	234,026,229.38	2,442,506.75	(274,299.29)	236,194,436.84
Less: Accumulated Depreciation:				
Land Improvements	(7,415,963.33)	(697,539.32)	195,597.56	(7,917,905.09)
Buildings and Improvements	(52,177,178.94)	(4,132,057.53)	-	(56,309,236.47)
Equipment	(13,698,549.94)	(1,675,496.56)	61,274.58	(15,312,771.92)
Total Accumulated Depreciation	(73,291,692.21)	(6,505,093.41)	256,872.14	(79,539,913.48)
Total Capital Assets being depreciated, net	160,734,537.17	(4,062,586.66)	(17,427.15)	156,654,523.36
Total Governmental Activities Capital Assets, net	\$ 161,103,343.17	\$ (4,062,586.66)	\$ (17,427.15)	\$ 157,023,329.36
	Business-Type Activities			
	Balance July 1, <u>2020</u>	<u>Additions</u>	Retirements and Adjustments	Balance June 30, <u>2021</u>
Business-Type Activities:				
Equipment	\$ 2,076,671.33	\$ 32,123.50	\$ -	\$ 2,108,794.83
Total Capital Assets being depreciated	2,076,671.33	32,123.50	-	2,108,794.83
Less: Accumulated Depreciation:				
Equipment	(1,376,029.96)	(126,865.17)	-	(1,502,895.13)
Total Accumulated Depreciation	(1,376,029.96)	(126,865.17)	-	(1,502,895.13)
Total Business-Type Activities Capital Assets, net	\$ 700,641.37	\$ (94,741.67)	\$ -	\$ 605,899.70

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 5. Capital Assets (Continued)

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

Governmental Activities

Instruction:

Regular Instruction	\$ 2,621,729.56
Special Education Instruction	993,450.16
Other Instruction	186,138.17

Support Services:

Student & Instruction Related Services	903,520.21
General Administrative	108,183.08
School Administrative Services	309,830.84
Central Services	82,841.68
Administrative Info. Technology	71,696.67
Plant Operations & Maintenance	679,872.35
Pupil Transportation	547,830.68

Total Depreciation Expense - Governmental Activities	\$ 6,505,093.40
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Note 6. Interfund Receivables, Payables and Transfers

There were not interfund receivables/payables at June 30, 2021.

There was no interfund activity during the year.

Note 7. Long-Term Obligations

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

	<u>Balance</u> <u>June 30, 2020</u>		<u>Additions</u>		<u>Reductions</u>		<u>Balance</u> <u>June 30, 2021</u>		<u>Balance</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:									
General Obligation Bonds	\$ 118,365,000.00	\$	-	\$	7,230,000.00	\$	111,135,000.00	\$	7,385,000.00
Capital Leases	5,504,073.31		1,784,000.00		1,476,780.99		5,811,292.32		1,639,337.27
Compensated Absences	4,261,042.23		388,629.22		-		4,649,671.45		-
Premium on Bond Sale	4,104,024.93		-		904,885.89		3,199,139.04		904,885.89
Net Pension Liability	32,044,508.00		-		2,184,876.00		29,859,632.00		-
	\$ 164,278,648.47	\$	2,172,629.22	\$	11,796,542.88	\$	154,654,734.81	\$	9,929,223.16

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 7. Long-Term Obligations (continued)

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, ESIP, deferred pension obligations, capital leases, unamortized bond premiums and the net pension liability are liquidated by the general fund.

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

\$14,320,000, 2012 refunding bonds, due in annual installments ranging from \$4,675,000 to \$4,925,000 through August 1, 2022 at interest rate of 4.00%. The net proceeds which included a premium of \$7,212,313.90 which was deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the 2004 Series bonds, which were included in the refunding. As a result of the issuance of the School District of Refunding Bonds Series 2020 (federally taxable), the Bonds maturing after August 1, 2023 in the amount of \$34,365,000.00 were redeemed. In accordance with the redemption provision. The District entered into an escrow agreement utilizing the proceeds partially to refund the Series 2012 on the call date of August 1, 2022.

\$18,260,000, 2015 refunding bonds, due in annual installments ranging from \$1,265,000 to \$5,050,000 through March 1, 2035 at interest rates ranging from 3.00% to 5.00%. The net proceeds which included a premium of \$8,355,301.00 along with \$587,093.78 of District funds were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the 2006 and 2008 Series bonds, which were included in the refunding. As a result of the issuance of the School District of Refunding Bonds Series 2020 (federally taxable) the Bonds maturing on or after March 1, 2026 in the amount of \$50,205,000.00 were redeemed. In accordance with the redemption provision. The District entered into an escrow agreement utilizing the proceeds partially to refund the Series 2012 on the call date of March 1, 2025.

\$85,785,000, 2020 refunding bonds, due in annual installments ranging from \$1,290,000 to \$9,945,000 through August 1, 2037 at interest rates ranging from 1.631% to 2.949%. The proceeds of the Bonds will be used to (i) advance refund all of the \$34,365,000.00 outstanding callable principal amount of School District Refunding Bonds, Series 2012 of the Board issued in the original principal amount of \$62,175,000.00 dated April 25, 2012 and maturing on August 1 in the years 2023 through 2028, inclusive (the "2012 Refunded Bonds"), which may be redeemed at the option of the Board in whole or in part on any date on or after August 1, 2022 (the "2012 Redemption Date") at a redemption price equal to the par amount of the 2012 Refunded Bonds to be redeemed (the "2012 Redemption Price"), plus accrued interest, if any, to the 2012 Redemption Date; (ii) advance refund all of the \$41,770,000.00 outstanding callable principal amount of School District Refunding Bonds, Series 2015 of the Board issued in the original principal amount of \$62,600,000.00 dated March 26, 2015 and maturing on March 1 in the years 2026 through 2028, inclusive, 2030 through 2034, inclusive, and 2038 (the "2015 Refunded Bonds" and, together with the 2012 Refunded Bonds, the "Refunded Bonds"), which may be redeemed at the option of the Board in whole or in part on any date on or after March 1, 2025 (the "2015 Redemption Date" and, together with the 2012 Redemption Date, the "Redemption Dates") at a redemption price equal to the par amount of the 2015 Refunded Bonds to be redeemed (the "2015 Redemption Price" and, together with the 2012 Redemption Price, the "Redemption Prices"), plus accrued interest, if any, to the 2015 Redemption Date; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds. The Bonds maturing prior to August 1, 2030 are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 2030 are subject to redemption prior to maturity, at the option of the Board, in whole or in part, on any date on or after August 1, 2029 at a price of 100% of the principal amount of the Bonds to be redeemed (the "Redemption Price"), plus unpaid accrued interest to the date fixed for redemption.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 7. Long-Term Obligations

Bonds Payable (continued)

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 7,385,000.00	\$ 2,866,592.51	\$ 10,251,592.51
2023	8,015,000.00	2,567,366.61	10,582,366.61
2024	8,645,000.00	2,295,212.79	10,940,212.79
2025	9,070,000.00	1,953,795.97	11,023,795.97
2026	9,385,000.00	1,836,263.67	11,221,263.67
2027-2031	37,825,000.00	6,262,383.08	44,087,383.08
2032-2036	24,985,000.00	2,741,915.59	27,726,915.59
2037-2041	5,825,000.00	172,166.38	5,997,166.38
	<u>\$ 111,135,000.00</u>	<u>\$ 20,695,696.60</u>	<u>\$ 131,830,696.60</u>

Capital Leases Payable

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

Fiscal Year Ending June 30,	
2022	\$ 1,735,916.67
2023	1,644,375.58
2024	1,388,865.77
2025	889,232.04
2026	358,759.01
	<u>6,017,149.07</u>
Interest	<u>(205,856.53)</u>
	<u>\$ 5,811,292.54</u>

Bonds Authorized but not Issued

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

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

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources:

At June 30, 2021, the School District reported a liability of \$29,859,632.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2019, to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The School District's proportion measured as of June 30, 2020, was 0.18310497%, which was an increase of 0.00468065% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the School District recognized full accrual pension expense of \$1,698,115.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2020 measurement date. 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	\$ 543,695	\$ 105,597
Changes of Assumptions	968,680	12,502,510
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,020,626	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	2,056,870	-
School District contributions subsequent to measurement date	2,000,000	-
	<u>\$ 6,589,871</u>	<u>\$ 12,608,107</u>

\$2,000,000 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2020-2021 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2020 and will be recognized as a reduction of the net pension liability in the year ended 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:

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

Year Ending June 30,	
2022	\$ (2,051,752)
2023	(3,213,550)
2024	(1,792,754)
2025	(826,191)
2026	(133,989)
	<u>\$ (8,018,236)</u>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow 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	-	5.73
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, 2014	-	5.00
June 30, 2015	-	5.00
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 District Contributions Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2015	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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

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

Inflation Rate		
Price		2.75%
Wage		3.25%
Salary Increases:		
Through 2026	2.00% - 6.00%	Based on Years of Service
Thereafter	3.00% - 7.00%	Based on Years of Service
Investment Rate of Return		7.00%
Mortality Rate Table		
	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020	
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	

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

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

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

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2020, calculated using the 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-percentage point lower or 1-percentage point higher than the current rate:

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 37,883,867.00	\$ 29,859,632.00	\$ 23,484,880.00

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	<u>6/30/2021</u>	<u>6/30/2020</u>
Collective Deferred Outflows of Resources	\$ 234,758,337.00	\$ 3,149,522,616.00
Collective Deferred Inflows of Resources	7,849,949,467.00	7,645,087,574.00
Collective Net Pension Liability	16,435,616,426.00	18,143,832,135.00
School District's portion	0.18310%	0.17842%

B. Teachers' Pension and Annuity Fund (TPAF)

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

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, 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:

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years 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. 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.

Contributions - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense:

The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2020 was \$275,362,068. The School District's proportionate share was \$9,475,924.

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, 2020, which was rolled forward to June 30, 2020. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.4181733%, which was an increase of 0.00170503% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized a pension expense in the amount of \$17,123,186 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2020 measurement date.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

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

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

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 on the Pub-2010

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

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

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

Discount Rate - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.40% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(4.40%)</u>	At Current Discount Rate <u>(5.40%)</u>	At 1% Increase <u>(6.40%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 323,444,998.00	\$ 275,362,068.00	\$ 235,437,265.00

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 9,626,548,228.00	\$10,129,162,237.00
Collective Deferred Inflows of Resources	14,591,988,841.00	17,736,240,054.00
Collective Net Pension Liability	65,993,498,688.00	61,519,112,443.00
School District's portion	0.41817%	0.41647%

C. Defined Contribution Retirement Plan (DCRP)

Plan Description - DCRP was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 8. Pension Plans (Continued)

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2021, employee contributions totaled \$119,158.17, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$65,037.26.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

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

Inflation Rate	2.50%		
	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	1.55 - 3.05%	2.00 - 6.00%	3.25 - 15.25%
	based on years of service	based on years of service	based on years of service
Thereafter	1.55 - 3.05%	3.00 - 7.00%	Applied to
	based on years of service	based on years of service	all future years

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

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

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2020 was \$252,679,709. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2020, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the OPEB Obligation attributable to the School District was .37262918%, which was an increase of .000124087% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized an OPEB expense in the amount of \$16,275,213 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2020 measurement date.

**TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. 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 is 5.0%.

Discount Rate

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

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2020 calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB 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:

	June 30, 2020		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 304,618,431.51	\$ 252,679,709.00	\$ 212,068,630.22
State of New Jersey's Total Nonemployer OPEB Liability	\$ 81,748,410,002.00	\$ 67,809,962,608.00	\$ 56,911,439,160.00

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate*	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 203,971,582.10	\$ 252,679,709.00	\$ 310,680,262.33
State of New Jersey's Total Nonemployer OPEB Liability	\$ 54,738,488,540.00	\$ 67,809,962,608.00	\$ 83,375,182,975.00

* See Healthcare Cost Trend Assumptions for details of rates.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2020 are as follows:

Differences between Expected & Actual Experience	\$ 10,295,318,750.00	\$ (9,170,703,615.00)
Changes in Assumption	11,534,251,250.00	(7,737,500,827.00)
Contributions Made in Fiscal Year Year Ending 2021 After June 30, 2020 Measurement Date **	TBD	N/A
	<u>\$ 21,829,570,000.00</u>	<u>\$ (16,908,204,442.00)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2021	\$ 43,440,417.00
2022	43,440,417.00
2023	43,440,417.00
2024	43,440,417.00
2025	43,440,417.00
Thereafter	4,704,163,473.00
	<u>\$ 4,921,365,558.00</u>

** Employer Contributions made after June 30, 2020 are reported as deferred outflow of resources, but are not amortized in expense.

Plan Membership

At June 30, 2019, the Program membership consisted of the following:

	June 30, 2019
Active Plan Members	216,804
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	149,304
Total Plan Members	<u>366,108</u>

Changes in the total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

Service Cost	\$ 1,790,973,822.00
Interest Cost	1,503,341,357.00
Differences Between Expected and Actual Experiences	11,544,750,637.00
Changes in Assumptions	12,386,549,981.00
Contributions: Member	35,781,384.00
Gross Benefit Payments	(1,180,515,618.00)
Net Changes in Total OPEB Liability	26,080,881,563.00
Total OPEB Liability (Beginning)	41,729,081,045.00
Total OPEB Liability (Ending)	<u>\$ 67,809,962,608.00</u>
Total Covered Employee Payroll	\$ 14,267,738,657.00
Net OPEB Liability as a Percentage of Payroll	475%

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2021, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$13,223,761.00, \$3,919,299.82, \$4,144,121.00 and \$7,843.00, respectively.

Note 11. 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. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>	
			<u>Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
2020-21	\$ 34,954.68	\$ 83,276.74	\$ 403,798.82	\$ 34,954.68
2019-20	118,201.29	54,224.22	403,798.82	-
2018-19	118,410.55	43,640.65	339,821.75	-

*Starting on July 1, 2020 Unemployment is accounted for in the General Fund

As of June 30, 2021 the State provided quarterly bills for the previous four quarters have not been provided in the fiscal year. The District has accrued a liability for estimated employment claims.

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 13. Deferred Compensation

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

AIG/Valic
AXA Equitable

T.Rowe Price
Penserv - formally Foresters

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 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2021, the liability for compensated absences reported was \$4,649,671.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, 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.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (Continued)

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 was \$4,425,560.19.

Note 17. Fund Balances

General Fund

Of the \$15,112,882.51 General Fund fund balance at June 30, 2021, \$570,802.00 has been restricted for the Capital Reserve Account; \$403,798.82 has been restricted for the Unemployment Claims; \$4,425,560.19 has been restricted for current year excess surplus; \$5,100,774.01 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$162,531.49 has been assigned for subsequent year's expenditures; \$4,449,416.00 has been assigned to other purposes.

Special Revenue Fund

Of the \$389,253.40 Special Revenue Fund fund balance at June 30, 2021, \$389,253.40 is restricted for future Student Activities.

Debt Service Fund

Of the \$478,236.50 Debt Service Fund fund balance at June 30, 2021, \$478,236.50 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position

The School District governmental activities had a deficit in unrestricted net position in the amount of \$45,557,447.59 at June 30, 2021. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2021. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Early Childhood Enrichment

The Early Childhood Enrichment Fund had a deficit in unrestricted net position in the amount of \$28,208.45 at June 30, 2021. The primary causes of this deficit is COVID-19 causing the program to be closed during the School Year.

MONROE BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

Note 19: Prior Period Adjustment/Restatement of Fund Balance and Net Position

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

Net Position as previously reported at June 30, 2020	\$ 11,541,305.16
Prior Period Adjustment- Implementation of GASB 84:	
Restricted Fund Balance-Unemployment	403,798.82
Restricted Fund Balance-Student Activities	376,124.88
	<hr/>
Total Prior Period Adjustment	779,923.70
	<hr/>
Net Position as restated, July 1, 2020	\$ 12,321,228.86
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Fund Balance in the General Fund and the Special Revenue Fund as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

	General Fund	Special Revenue Fund
Fund Balance as previously reported at June 30, 2020	\$ 11,021,109.27	\$ -
Prior Period Adjustment- Implementation of GASB 84:		
Restricted Fund Balance-Unemployment	403,798.82	-
Restricted Fund Balance-Student Activities	-	376,124.88
	<hr/>	<hr/>
Total Prior Period Adjustment	403,798.82	376,124.88
	<hr/>	<hr/>
Fund Balance as restated, July 1, 2020	\$ 11,424,908.09	\$ 376,124.88
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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2021		VARIANCE FINAL TO ACTUAL
		BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 108,062,274.00	\$ -	\$ 108,062,274.00	\$ -
Tuition From Individuals	-	-	-	14,247.32
Tuition From Other LEAs Within State	4,180,000.00	-	4,180,000.00	-
Transportation Fees From Other LEAs	294,800.00	-	294,800.00	(147,441.23)
Transportation Fees from Other Sources	-	-	-	1,055.00
Interest on Investments	-	-	-	86,506.71
Interest and Dividends Earned from Investment of Tuition Revenue	1,500.00	-	1,500.00	(1,500.00)
Refund of Prior Expenditures	-	-	-	181,441.35
Unrestricted Miscellaneous Revenues	1,009,710.00	47,948.39	1,057,658.39	(959,678.22)
Total Local Sources	113,548,284.00	47,948.39	113,596,232.39	(825,369.07)
State Sources:				
Categorical Transportation Aid	2,753,019.00	-	2,753,019.00	-
Extraordinary Aid	350,674.00	46,810.00	397,484.00	299,296.00
Categorical Special Education Aid	4,075,644.00	(693,723.00)	3,381,921.00	-
Categorical Security Aid	103,764.00	-	103,764.00	-
Other State Aids	-	-	-	79,750.00
Securing Our Children's Future Bond Act (Alyssa's Law)	-	389,873.00	389,873.00	(2,206.39)
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	13,223,761.00
TPAF Social Security (reimbursed)	-	-	-	3,919,299.82
TPAF Post Retirements	-	-	-	4,144,121.00
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	7,843.00
Total State Sources	7,283,101.00	(257,040.00)	7,026,061.00	21,671,864.43
Federal Sources:				
Medicaid Reimbursement	58,575.00	-	58,575.00	2,126.24
FEMA Public Assistance Grant	-	5,834.53	5,834.53	-
Total Federal Sources	58,575.00	5,834.53	64,409.53	2,126.24
Total Revenues	120,889,960.00	(203,257.08)	120,686,702.92	20,848,621.60

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2021		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	11-110-100-101	546,986.00	160,000.00	706,986.00	1,417.08
Grades 1-5 - Salaries of Teachers	11-120-100-101	11,284,906.00	(643,000.00)	10,641,906.00	635,836.34
Grades 6-8 - Salaries of Teachers	11-130-100-101	8,144,490.00	500,000.00	8,644,490.00	49,057.98
Grades 9-12 - Salaries of Teachers	11-140-100-101	11,972,557.00	(459,130.00)	11,513,427.00	242,850.28
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	105,290.00	(11,000.00)	94,290.00	73,374.90
Purchased Professional - Educational Services	11-150-100-320	44,722.00	(10,500.00)	34,222.00	2,900.87
Other Purchased Services	11-150-100-500	855.00	-	855.00	855.00
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	11-190-100-106	319,751.00	(35,000.00)	284,751.00	31,114.97
Purchased Professional - Educational Services	11-190-100-320	20,120.00	5,000.00	25,120.00	14,695.00
Other Purchased Services	11-190-100-500	2,475,893.00	(259,000.00)	2,216,893.00	14,417.32
General Supplies	11-190-100-610	2,465,252.00	(957,275.00)	1,507,977.00	126,268.31
Textbooks	11-190-100-640	213,421.00	-	213,421.00	5,412.71
Other Objects	11-190-100-800	4,846.00	-	4,846.00	3,071.00
Total Regular Programs - Instruction		37,599,089.00	(1,709,905.00)	35,889,184.00	1,201,271.76
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	359,622.00	(65,000.00)	294,622.00	69,500.89
Other Salaries for Instruction	11-204-100-106	354,109.00	65,000.00	419,109.00	11,553.66
General Supplies	11-204-100-610	22,672.00	-	22,672.00	14,809.96
Total Learning and/or Language Disabilities		736,403.00	-	736,403.00	95,864.51
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	11-212-100-101	502,756.00	72,800.00	575,556.00	8,323.34
Other Salaries for Instruction	11-212-100-106	482,565.00	99,500.00	582,065.00	7,055.14
Other Purchased Services	11-212-100-500	-	1,000.00	1,000.00	1,000.00
General Supplies	11-212-100-610	6,600.00	7,000.00	13,600.00	1,118.04
Total Multiple Disabilities		991,921.00	180,300.00	1,172,221.00	17,496.52
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	11-213-100-101	8,513,263.00	40,888.00	8,554,151.00	31,540.77
Other Salaries	11-213-100-106	1,641,442.00	(134,000.00)	1,507,442.00	20,108.75
General Supplies	11-213-100-610	59,019.00	-	59,019.00	19,745.85

MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2021		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
	11-213-100-640	10,012.00	(7,000.00)	3,012.00	3,012.00
Textbooks					
		10,223,736.00	(100,112.00)	10,123,624.00	74,407.37
Total Resource Room/Resource Center					
Special Education - Instruction:					
Autism:					
Salaries of Teachers	11-214-100-101	427,441.00	65,000.00	492,441.00	9,921.62
Other Salaries for Instruction	11-214-100-106	516,482.00	(30,000.00)	486,482.00	21,949.02
Purchased Professional - Educational Services	11-214-100-320	475.00	-	475.00	475.00
General Supplies	11-214-100-610	6,600.00	4,000.00	10,600.00	1,086.53
Total Autism		950,998.00	39,000.00	989,998.00	33,432.17
Special Education - Instruction:					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	11-215-100-101	305,574.00	(51,000.00)	254,574.00	24,451.57
Other Salaries for Instruction	11-215-100-106	216,727.00	37,800.00	254,527.00	13,604.08
General Supplies	11-215-100-610	3,360.00	7,000.00	10,360.00	737.26
Total Preschool Disabilities - Part-Time		525,661.00	(6,200.00)	519,461.00	38,792.91
Special Education - Instruction:					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	11-216-100-101	221,298.00	9,500.00	230,798.00	20,729.26
Other Salaries for Instruction	11-216-100-106	193,589.00	(27,300.00)	166,289.00	93,893.37
General Supplies	11-216-100-610	5,400.00	-	5,400.00	4,234.43
Total Preschool Disabilities - Full-Time		420,287.00	(17,800.00)	402,487.00	118,857.06
Special Education - Instruction:					
Home Instruction:					
Salaries of Teachers	11-219-100-101	99,818.00	(15,900.00)	83,918.00	19,583.61
Purchased Professional - Educational Services	11-219-100-320	55,370.00	97,000.00	152,370.00	10,081.25
Other Purchased Services	11-219-100-500	3,285.00	-	3,285.00	1,324.68
Total Home Instruction		158,473.00	81,100.00	239,573.00	30,989.54
Total Special Education - Instruction		14,007,479.00	176,288.00	14,183,767.00	409,840.08
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	11-230-100-101	1,072,347.00	(31,000.00)	1,041,347.00	164,063.93

MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021

	JUNE 30, 2021			VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	FINAL TO ACTUAL
ACCOUNT NUMBERS				ACTUAL
Other Salaries for Instruction	15,166.00	-	15,166.00	15,166.00
Unused Vacation Payments	-	8,848.00	8,848.00	5,602.62
General Supplies	8,848.00	(8,848.00)	-	-
Total Basic Skills/Remedial - Instruction	1,096,361.00	(31,000.00)	1,065,361.00	184,832.55
Bilingual Education - Instruction:				
Salaries of Teachers	391,613.00	25,000.00	416,613.00	8,503.79
Other Salaries for Instruction	21,730.00	4,000.00	25,730.00	3,675.48
Purchased Professional - Educational Services	450.00	-	450.00	450.00
Other Purchased Services	4,204.00	-	4,204.00	4,204.00
General Supplies	20,488.00	4,000.00	24,488.00	3,735.65
Total Bilingual Education - Instruction	438,485.00	33,000.00	471,485.00	20,568.92
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:				
Salaries	511,260.00	(98,000.00)	413,260.00	100,188.65
Purchased Services	63,724.00	-	63,724.00	52,360.00
Supplies and Materials	71,651.00	-	71,651.00	49,162.95
Other Objects	36,653.00	-	36,653.00	31,472.00
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction	683,288.00	(98,000.00)	585,288.00	233,183.60
School-Sponsored Athletics - Instruction:				
Salaries	746,267.00	-	746,267.00	43,621.97
Purchased Services	150,250.00	-	150,250.00	77,928.05
Supplies and Materials	211,309.00	1,085.00	212,394.00	100,818.46
Other Objects	29,265.00	-	29,265.00	18,599.37
Total School-Sponsored Athletics - Instruction	1,137,091.00	1,085.00	1,138,176.00	240,967.85
Community Service Programs/Operations:				
Salaries	37,585.00	-	37,585.00	37,585.00
Total Summer School - Support Services	37,585.00	-	37,585.00	37,585.00
Undistributed Expenditures - Instruction (Tuition):				
Tuition to County Vocational School - Special	-	6,000.00	6,000.00	420.00
Tuition to County Special Services & Regular Day Schools	715,834.00	20,000.00	735,834.00	121,264.00
Tuition to Private School Disabled - Within State	1,519,124.00	(171,000.00)	1,348,124.00	64,647.41

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

		JUNE 30, 2021			VARIANCE
	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	FINAL TO ACTUAL
Tuition - Other	11-000-100-569	-	52,000.00	52,000.00	6,200.00
Tuition to Non-Charter School	11-000-100-570	-	310,513.00	310,513.00	1,327.00
Total Undistributed Expenditures - Instruction (Tuition)		2,234,958.00	217,513.00	2,452,471.00	193,858.41
Undistributed Expenditures Attendance and Social Work:					
Salaries	11-000-2111-100	10,786.00	-	10,786.00	10,786.00
Other Purchased Services	11-000-2111-500	5,000.00	2,000.00	7,000.00	1,000.00
Total Undistributed Expenditures Attendance and Social Work		15,786.00	2,000.00	17,786.00	11,786.00
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	1,300,001.00	(18,000.00)	1,282,001.00	124,754.03
Purchased Professional & Technical Services	11-000-213-300	52,925.00	-	52,925.00	39,665.05
Other Purchased Services	11-000-213-500	1,916.00	-	1,916.00	1,916.00
Supplies and Materials	11-000-213-600	22,899.00	43,000.00	65,899.00	1,763.56
Total Undistributed Expenditures - Health Services		1,377,741.00	25,000.00	1,402,741.00	168,098.64
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	2,142,462.00	64,500.00	2,206,962.00	11,966.14
Purchased Professional - Educational Services	11-000-216-320	634,225.00	33,000.00	667,225.00	107,810.40
Supplies and Materials	11-000-216-600	33,351.00	6,000.00	39,351.00	2,232.13
Other Objects	11-000-216-800	4,088.00	3,000.00	7,088.00	1,129.00
Total Undistributed Expenditures - Speech, OT, PT and Related Services		2,814,126.00	106,500.00	2,920,626.00	123,137.67
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	1,717,470.00	-	1,717,470.00	27,075.20
Salaries of Secretaries & Clerical Assistants	11-000-218-105	161,968.00	-	161,968.00	2,486.96
Purchased Professional - Educational Services	11-000-218-320	18,308.00	-	18,308.00	18,308.00
Other Purchased Professional and Technical Services	11-000-218-390	2,000.00	-	2,000.00	2,000.00
Other Purchased Services	11-000-218-500	30,000.00	-	30,000.00	25,436.37
Supplies and Materials	11-000-218-600	43,742.00	(9,500.00)	34,242.00	13,370.52
Other Objects	11-000-218-800	540.00	-	540.00	201.00
Total Undistributed Expenditures - Guidance		1,974,028.00	(9,500.00)	1,964,528.00	88,878.05

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2021		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
				ACTUAL	
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	3,005,519.00	(84,011.00)	2,921,508.00	2,816,728.79
Salaries of Secretaries & Clerical Assistants	11-000-219-105	395,936.00	(15,500.00)	380,436.00	361,096.97
Purchased Professional - Educational Services	11-000-219-320	79,486.00	57,000.00	136,486.00	82,577.00
Other Purchased Prof. and Tech. Services	11-000-219-390	1,947.00	-	1,947.00	-
Other Purchased Services	11-000-219-500	52,177.00	(52,177.00)	-	-
Miscellaneous Purchased Services	11-000-219-592	-	31,177.00	31,177.00	21,929.16
Supplies and Materials	11-000-219-600	77,337.00	13,200.00	90,537.00	84,804.77
Other Objects	11-000-219-800	755.00	-	755.00	-
		3,613,157.00	(50,311.00)	3,562,846.00	3,367,136.69
Total Undistributed Expenditures - Child Study Teams					195,709.31
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	890,352.00	83,800.00	974,152.00	901,793.63
Salaries of Other Professional Staff	11-000-221-104	58,544.00	-	58,544.00	53,076.63
Salaries of Sec. and Clerical Assist.	11-000-221-105	136,937.00	-	136,937.00	127,524.88
Unused Vacation Payments	11-000-221-199	-	21,000.00	21,000.00	20,398.87
Purchased Professional - Educational Services	11-000-221-320	66,194.00	40,000.00	106,194.00	98,097.50
Other Purchased Services	11-000-221-500	60,820.00	-	60,820.00	39,446.00
Supplies and Materials	11-000-221-600	27,853.00	(10,000.00)	17,853.00	8,383.62
Other Objects	11-000-221-800	17,761.00	12,900.00	30,661.00	29,735.00
		1,258,461.00	147,700.00	1,406,161.00	1,278,456.13
Total Undistributed Expenditures - Improvement of Instruction Services					127,704.87
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	738,015.00	15,000.00	753,015.00	744,687.85
Other Purchased Services	11-000-222-500	17,179.00	(5,500.00)	11,679.00	11,495.06
Supplies and Materials	11-000-222-600	122,178.00	(20,000.00)	102,178.00	92,202.22
Other Objects	11-000-222-800	283.00	-	283.00	-
		877,655.00	(10,500.00)	867,155.00	848,385.13
Total Undistributed Expenditures - Educational Media Services/Library					18,769.87
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	11-000-223-102	290,234.00	(22,000.00)	268,234.00	263,378.28
Salaries of Secretarial and Clerical Asst.	11-000-223-105	49,236.00	-	49,236.00	45,426.72
Purchased Professional - Educational Services	11-000-223-320	27,985.00	7,000.00	34,985.00	21,899.00
Other Purchased Services	11-000-223-500	31,040.00	-	31,040.00	13,051.19
					4,855.72
					3,809.28
					13,086.00
					17,988.81

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	JUNE 30, 2021				VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
ACCOUNT NUMBERS					
11-000-223-600	1,958.00	28,000.00	29,958.00	27,161.51	27,196.49
11-000-223-800	496.00	-	496.00	-	496.00
Supplies and Materials					
Other Objects					
Total Undistributed Expenditures - Instructional Staff Training Services	400,949.00	13,000.00	413,949.00	346,516.70	67,432.30
Undistributed Expenditures - Support Services - General Administration:					
Salaries					
Salaries of Attorneys	428,274.00	20,000.00	448,274.00	445,034.88	3,239.12
Legal Services	201,298.00	(104,000.00)	97,298.00	96,539.52	758.48
Audit Fees	52,626.00	120,000.00	172,626.00	166,311.32	6,314.68
Architectural/Engineering Services	55,873.00	-	55,873.00	54,585.00	1,288.00
Other Purchased Professional Services	19,598.00	29,430.80	49,028.80	26,815.23	22,213.57
Communications/Telephone	9,337.00	(5,000.00)	4,337.00	1,520.00	2,817.00
BOE Other Purchased Professional Services	137,497.00	-	137,497.00	135,417.68	2,079.32
Other Purchased Services	22,431.00	-	22,431.00	17,500.00	4,931.00
General Supplies	521,246.00	-	521,246.00	514,852.70	6,393.30
BOE In-House Training/Meeting Supplies	12,493.00	-	12,493.00	10,163.39	2,329.61
Miscellaneous Expenditures	7,846.00	(7,000.00)	846.00	339.30	506.70
BOE Membership Dues and Fees	8,061.00	-	8,061.00	4,188.48	3,872.52
Total Undistributed Expenditures - Support Services - General Administration	28,908.00	(1,000.00)	27,908.00	26,662.70	1,245.30
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	1,505,488.00	52,430.80	1,557,918.80	1,499,930.20	57,988.60
Salaries of Other Professional Staff					
Salaries of Secretaries & Clerical Assistants	2,335,851.00	(44,300.00)	2,291,551.00	2,245,565.43	45,985.57
Unused Vacation Payment to Staff	433,296.00	37,500.00	470,796.00	437,693.04	33,102.96
Purchased Professional & Technical Services	1,622,247.00	35,500.00	1,657,747.00	1,408,330.55	249,416.45
Other Purchased Services	-	85,000.00	85,000.00	84,975.48	24.52
Supplies and Materials	5,896.00	-	5,896.00	3,900.00	1,996.00
Other Objects	20,545.00	4,000.00	24,545.00	23,697.69	847.31
Total Undistributed Expenditures - Support Services - School Administration	79,587.00	(8,000.00)	71,587.00	60,642.49	10,944.51
Supplies and Materials	24,386.00	7,200.00	31,586.00	30,916.00	670.00
Other Objects					
Total Undistributed Expenditures - Support Services - School Administration	4,521,808.00	116,900.00	4,638,708.00	4,295,720.68	342,987.32

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Central Services:					
Salaries	11-000-251-100	1,137,853.00	-	1,137,853.00	39,913.16
Purchased Technical Services	11-000-251-340	47,774.00	-	47,774.00	24,238.08
Miscellaneous Purchased Services	11-000-251-592	14,081.00	-	14,081.00	2,218.00
Supplies and Materials	11-000-251-600	20,338.00	-	20,338.00	13,575.54
Miscellaneous Expenditures	11-000-251-890	9,540.00	-	9,540.00	1,063.00
Total Undistributed Expenditures - Central Services		1,229,586.00	-	1,229,586.00	81,007.78
Undistributed Expenditures - Administrative Information Technology:					
Salaries	11-000-252-100	1,072,728.00	-	1,072,728.00	79,610.54
Other Purchased Services	11-000-252-500	5,537.00	-	5,537.00	5,358.67
Supplies and Materials	11-000-252-600	6,404.00	-	6,404.00	5,644.15
Other Objects	11-000-252-800	2,500.00	-	2,500.00	2,500.00
Total Undistributed Expenditures - Administrative Information Technology		1,087,169.00	-	1,087,169.00	93,113.36
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	11-000-261-100	943,188.00	(60,000.00)	883,188.00	43,717.98
Cleaning, Repair & Maintenance Services	11-000-261-420	300,569.00	186,050.00	486,619.00	69,492.03
General Supplies	11-000-261-610	269,249.00	465,000.00	734,249.00	269,811.68
Other Objects	11-000-261-800	5,669.00	-	5,669.00	4,919.00
Total Undistributed Expenditures - Required Maintenance for School Facilities		1,518,675.00	591,050.00	2,109,725.00	387,940.69
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	3,966,613.00	(4,000.00)	3,962,613.00	474,151.53
Salaries of Non-Instructional Aides	11-000-262-107	307,536.00	-	307,536.00	18,206.52
Unused Vacation Payment to Staff	11-000-262-199	-	21,230.00	21,230.00	94.17
Purchased Professional and Technical Services	11-000-262-300	308,353.00	(7,000.00)	301,353.00	109,741.01
Cleaning, Repair & Maintenance Services	11-000-262-420	97,949.00	-	97,949.00	63,233.21
Rental of Land & Bldg. Other Than Lease Purch.	11-000-262-441	71,987.00	2,000.00	73,987.00	1,863.97
Lease Purchase Pymts- Energy Savings Impr Prog	11-000-262-444	-	-	-	-
Other Purchased Property Services	11-000-262-490	183,937.00	62,900.00	246,837.00	64,697.16
Insurance	11-000-262-520	171,524.00	37,000.00	208,524.00	6,326.40
Miscellaneous Purchased Services	11-000-262-590	103,757.00	-	103,757.00	5,923.33
General Supplies	11-000-262-610	242,051.00	5,849.91	247,900.91	35,115.13
Energy (Natural Gas)	11-000-262-621	283,240.00	(60,000.00)	223,240.00	173,251.63

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	JUNE 30, 2021			VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	FINAL TO ACTUAL
ACCOUNT NUMBERS				ACTUAL
Energy (Electricity)	1,423,352.00	(88,100.00)	1,335,252.00	1,180,851.61
Energy (Oil)	24,574.00	4,000.00	28,574.00	23,716.88
Other Objects	3,087.00	3,000.00	6,087.00	4,675.00
				1,412.00
Total Undistributed Expenditures - Custodial Services	7,187,960.00	(23,120.09)	7,164,839.91	6,051,566.34
				1,113,273.57
Undistributed Expenditures - Care and Upkeep of Grounds:				
Salaries	144,707.00	19,500.00	164,207.00	129,662.41
Unused Vacation Payment to Terminated / Retired Staff	-	13,000.00	13,000.00	11,678.70
Purchased Professional and Technical Services	25,708.00	-	25,708.00	11,993.62
Cleaning, Repair & Maintenance Services	329,349.00	35,000.00	364,349.00	340,802.53
General Supplies	130,269.00	(30,000.00)	100,269.00	35,405.78
Other Objects	925.00	-	925.00	250.00
				675.00
Total Undistributed Expenditures - Care and Upkeep of Grounds	630,958.00	37,500.00	668,458.00	529,793.04
				138,664.96
Security:				
Salaries	1,218,976.00	-	1,218,976.00	1,067,121.42
Purchased Professional and Technical Services	33,075.00	-	33,075.00	10,903.00
Cleaning, Repair, and Maintenance Services	46,381.00	-	46,381.00	28,106.78
General Supplies	85,852.00	-	85,852.00	14,512.00
Other Objects	1,569.00	900.00	2,469.00	2,465.42
				3.58
Total Security	1,385,853.00	900.00	1,386,753.00	1,123,108.62
				263,644.38
Undistributed Expenditures - Student Transportation Services:				
Salaries of Non-Instructional Aides	338,987.00	12,800.00	351,787.00	264,526.94
Salaries of Pupil Transportation (Between Home & School) - Regu	2,631,634.00	(124,500.00)	2,507,134.00	2,300,392.42
Sal for Pupil Trans (Other than Bet Home & Sch)	308,790.00	-	308,790.00	61,824.40
Unused Vacation Payment to Terminated / Retired Staff	-	22,000.00	22,000.00	21,020.20
Management Fee - ESC & CTSA Trans. Program	81,291.00	-	81,291.00	47,771.32
Other Purchased Prof. and Technical Serv.	14,778.00	-	14,778.00	12,906.62
Cleaning, Repair and Maintenance Services	16,633.00	-	16,633.00	-
Lease Purchase Payments - School Buses	724,586.00	-	724,586.00	711,067.07
Contract Services - Aid in Lieu Payments - Non Public Schools	301,150.00	(3,000.00)	298,150.00	191,567.96
Contract Services (Between Home & School) - Vendors	12,873.00	51,500.00	64,373.00	100.00
Contract Services (Other Than Between Home & School) - Vendo	223,668.00	(151,500.00)	72,168.00	12,800.75
Contract Serv (Reg. Students)-ESCs & CTSA	791,561.00	(22,000.00)	769,561.00	493,338.37
Contract Services (Special Education) - ESCs & CTSA	1,487,453.00	(220,300.00)	1,267,153.00	950,631.30
				316,521.70

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

		JUNE 30, 2021			VARIANCE
	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	FINAL TO ACTUAL
Miscellaneous Purchased Services - Transportation	11-000-270-593	82,969.00	-	82,969.00	10,055.15
General Supplies	11-000-270-610	18,958.00	-	18,958.00	17,054.82
Transportation Supplies	11-000-270-615	467,976.00	(182,000.00)	285,976.00	38,924.16
Miscellaneous Expenditures	11-000-270-800	5,815.00	3,000.00	8,815.00	1,948.00
Total Undistributed Expenditures - Student Transportation Services		7,509,122.00	(614,000.00)	6,895,122.00	1,498,438.78
Student Transportation Services - Employee Benefits					
Group Insurance	11-000-270-210	2,094,677.00	-	2,094,677.00	-
Social Security Contributions	11-000-270-220	228,494.00	(45,500.00)	182,994.00	78,825.00
Total Student Transportation Services - Employee Benefits		2,323,171.00	(45,500.00)	2,277,671.00	78,825.00
Unallocated Benefits:					
Social Security Contributions	11-000-291-220	1,512,039.00	(24,000.00)	1,488,039.00	79,429.00
Other Retirement Contributions - PERS	11-000-291-241	1,944,720.00	74,000.00	2,018,720.00	2,301.80
Workmen's Compensation	11-000-291-260	627,150.00	-	627,150.00	2,659.92
Health Benefits	11-000-291-270	20,754,350.00	100,000.00	20,854,350.00	789,088.03
Tuition Reimbursement	11-000-291-280	104,910.00	-	104,910.00	17,164.75
Other Employee Benefits	11-000-291-290	1,049,696.00	180,000.00	1,229,696.00	7,328.50
Total Unallocated Benefits		25,992,865.00	330,000.00	26,322,865.00	897,972.00
Nonbudgeted:					
TPAF Pension (on-behalf)		-	-	-	(13,223,761.00)
TPAF Social Security (reimbursed)		-	-	-	(3,919,299.82)
TPAF Post Retirements		-	-	-	(4,144,121.00)
TPAF Long-Term Disability Insurance (on behalf)		-	-	-	(7,843.00)
Total Undistributed Expenditures		69,459,516.00	887,562.71	70,347,078.71	(15,345,793.26)
Total Expenditures - Current Expense		124,458,894.00	(740,969.29)	123,717,924.71	(13,017,543.50)
Capital Outlay:					
Equipment:					
Grades 1-5	12-120-100-730	-	3,195.00	3,195.00	-
Bilingual Education - Instruction	12-240-100-730	-	-	-	-
School-Sponsored & Other Instructional Programs	12-400-100-730	14,000.00	300.00	14,300.00	9,553.35
Undistributed Expenditures:					
Equipment - Health Services	12-000-213-730	-	3,537.00	3,537.00	0.66
Undist. Expend.-Support Serv. - Child Study Teams	12-000-219-730	3,348.00	(3,195.00)	153.00	153.00

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Undistributed Expenditures - School Admin. Undist. Expend. - Custodial Services Undist. Expend. - Care and Upkeep of Grounds	12-000-240-730	-	5,415.00	5,415.00	5,414.10	0.90
	12-000-262-730	2,635.00	(115.00)	2,520.00	-	2,520.00
	12-000-263-730	-	302,338.00	302,338.00	302,250.00	88.00
Total Equipment		19,983.00	311,475.00	331,458.00	319,142.09	12,315.91
Facilities Acquisition & Construction Services: Architectural/Engineering Services Construction Services Assessment for Debt Service on SDA Funding	12-000-400-334	-	20,727.53	20,727.53	14,781.03	5,946.50
	12-000-400-450	180,000.00	518,690.12	698,690.12	647,973.77	50,716.35
	12-000-400-896	106,185.00	-	106,185.00	106,185.00	-
Total Facilities Acquisition & Construction Services		286,185.00	539,417.65	825,602.65	768,939.80	56,662.85
Assets Acquired Under Capital Leases (Non-Budgeted): Capital Leases (Non-Budgeted)		-	-	-	1,784,000.00	(1,784,000.00)
Total Assets Acquired Under Capital Leases (Non-Budgeted)		-	-	-	1,784,000.00	(1,784,000.00)
Total Capital Outlay		306,168.00	850,892.65	1,157,060.65	2,872,081.89	(1,715,021.24)
Transfer to Charter Schools		192,513.00	(192,513.00)	-	-	-
Total Expenditures		124,957,575.00	(82,589.64)	124,874,985.36	139,607,550.10	(14,732,564.74)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)		(4,067,615.00)	(120,667.44)	(4,188,282.44)	1,927,774.42	35,581,186.34
Other Financing Sources/(Uses): Transfers In/(Out): Transfer from Other Funds Capital Leases (Non-Budgeted)		600,000.00	-	600,000.00	-	(600,000.00)
		-	-	-	1,784,000.00	1,784,000.00
Total Other Financing Sources/(Uses)		600,000.00	-	600,000.00	1,784,000.00	1,184,000.00

**MONROE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

ACCOUNT NUMBERS	JUNE 30, 2021			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(3,467,615.00)	(120,667.44)	(3,588,282.44)	123,491.98
Fund Balances, July 1 (As Restated)	11,991,879.09	-	11,991,879.09	-
Fund Balances, June 30	\$ 8,524,264.09	\$ (120,667.44)	\$ 8,403,596.65	\$ 123,491.98
Prior Year Encumbrances \$ 120,667.44				

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 570,802.00
Excess Surplus	4,425,560.19
Excess Surplus Designated for Subsequent Year's Expenditures	5,100,774.01
Reserve for Unemployment Claims	403,798.82
Year-End Encumbrances	162,531.49
Unassigned Fund Balance	5,040,187.00
Subtotal	15,703,653.51
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(590,771.00)
Fund Balance per Governmental Funds (GAAP)	\$ 15,112,882.51

**TOWNSHIP OF MONROE SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	JUNE 30, 2021				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 300,000.00	\$ 300,000.00	\$ 296,970.88	\$ 3,029.12
Federal Sources	1,228,254.00	1,314,871.23	2,543,125.23	2,156,336.55	386,788.68
Total Revenues	1,228,254.00	1,614,871.23	2,843,125.23	2,453,307.43	389,817.80
Expenditures:					
Instruction:					
Salaries of Teachers	119,093.00	73,476.16	192,569.16	141,865.16	50,704.00
Purchased Professional - Educational Services	-	16,000.00	16,000.00	3,550.00	12,450.00
Tuition	1,021,642.00	231,132.00	1,252,774.00	1,239,524.00	13,250.00
General Supplies	17,214.00	397,807.07	415,021.07	282,443.39	132,577.68
Total Instruction	1,157,949.00	718,415.23	1,876,364.23	1,667,382.55	208,981.68
Support Services:					
Salaries of Other Professional Staff	-	16,104.00	16,104.00	-	16,104.00
Purchased Educational Services	70,305.00	13,540.50	83,845.50	76,721.50	7,124.00
Other Purchased Services (400-500 Series)	-	20,500.00	20,500.00	15,700.00	4,800.00
Supplies and Materials	-	546,311.50	546,311.50	396,532.50	149,779.00
Student Activities	-	300,000.00	300,000.00	283,842.36	16,157.64
Total Support Services	70,305.00	896,456.00	966,761.00	772,796.36	193,964.64
Total Expenditures	1,228,254.00	1,614,871.23	2,843,125.23	2,440,178.91	402,946.32
Total Outflows	1,228,254.00	1,614,871.23	2,843,125.23	2,440,178.91	402,946.32
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	13,128.52	(13,128.52)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ 13,128.52	\$ (13,128.52)
Fund Balance, July 1 (Restated)				376,124.88	
Fund Balance, June 30				\$ 389,253.40	
Recapitulation:					
Restricted:					
Student Activities				389,253.40	
Total Fund Balance				\$ 389,253.40	

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2021**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 141,535,324.52	\$ 2,453,307.43
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(5,699.54)
The last state aid payments are 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).		
Current Year	(590,771.00)	-
Prior Year	566,971.00	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 141,511,524.52</u>	<u>\$ 2,447,607.89</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 139,607,550.10	\$ 2,440,178.91
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	(5,699.54)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 139,607,550.10</u>	<u>\$ 2,434,479.37</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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TOWNSHIP OF MONROE SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST EIGHT FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.1831049682%	0.1778422432%	0.1742602112%	0.1729852330%	0.1657768660%	0.1637240820%	0.1526923938%	0.1605741339%
School District's proportionate share of the net pension liability	\$ 29,859,632.00	\$ 32,044,508.00	\$ 34,310,965.00	\$ 40,261,980.00	\$ 49,098,353.00	\$ 36,752,723.00	\$ 30,063,870.00	\$ 29,182,550.00
School District's covered payroll	\$ 13,529,430.00	\$ 13,861,837.00	\$ 13,208,658.00	\$ 12,230,395.00	\$ 12,080,496.00	\$ 11,710,198.00	\$ 11,307,428.00	\$ 11,171,901.00
School District's proportionate share of the net pension liability as a percentage of its covered payroll	220.70%	231.10%	259.76%	329.19%	406.43%	313.85%	265.80%	261.20%
Plan fiduciary net position as a percentage of the total pension liability	58.32%	56.27%	46.40%	48.10%	40.14%	47.93%	48.72%	52.08%

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

TOWNSHIP OF MONROE SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST EIGHT FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 2,003,076	\$ 1,728,891	\$ 1,733,328	\$ 1,544,244	\$ 1,472,738	\$ 1,407,588	\$ 1,323,750	\$ 1,131,267
Contributions in relation to the contractually required contribution	2,003,076	1,728,891	1,733,328	1,544,244	1,472,738	1,407,588	1,323,750	1,131,267
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 13,529,430.00	\$ 13,861,339.00	\$ 13,208,657.00	\$ 12,230,395.00	\$ 12,080,496.00	\$ 11,710,198.00	\$ 11,307,428.00	\$ 11,171,901.00
Contributions as a percentage of covered payroll	14.81%	12.40%	13.12%	14.17%	12.78%	12.58%	11.71%	10.29%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

TOWNSHIP OF MONROE SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net Position Liability Associated With the District
Teacher's Pension and Annuity Fund
Last EIGHT Fiscal Year^a

	Year Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
State's proportion of the net pension liability (asset) associated with the District - Local group	0.4181732716%	0.4164682455%	0.4019919043%	0.3930787268%	0.3912233955%	0.3879430279%	0.3821279420%	0.3812214603%
District's proportionate share of the net pension liability (asset)	None	None	None	None	None	None	None	None
State's proportionate share of the net pension liability (asset) associated with the District	\$ 275,362,068	\$ 255,590,493	\$ 255,738,615	\$ 265,027,851	\$ 307,761,232	\$ 245,196,560	\$ 204,234,928	\$ 192,716,870
Total proportionate share of the net pension liability (asset) associated with the District	\$ 275,362,068	\$ 255,590,493	\$ 255,738,615	\$ 265,027,851	\$ 307,761,232	\$ 245,196,560	\$ 204,234,928	\$ 192,716,870
District's Covered Employee Payroll	51,991,064	50,604,322	48,577,455	44,349,490	43,025,213	41,484,946	20,398,347	20,398,347
Plan fiduciary net position as a percentage of the total pension liability	32.62%	26.95%	26.48%	25.41%	25.41%	33.64%	33.64%	33.76%

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SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)

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TOWNSHIP OF MONROE SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FOUR FISCAL YEARS*

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 8,144,214	\$ 7,405,544	\$ 8,081,497	\$ 9,749,155
Interest Cost	5,472,126	6,377,896	6,698,461	5,756,027
Difference between Expected and Actual Experiences	46,856,376	(20,845,936)	(13,795,777)	-
Changes of Assumptions	46,155,900	2,241,234	(18,316,673)	(24,619,437)
Contributions: Member	133,332	136,780	147,511	(4,193,931)
Gross Benefit Payments	(4,398,946)	(4,614,275)	(4,268,061)	154,431
Net Change in Total OPEB Liability	102,363,002	(9,298,757)	(21,453,042)	(13,153,755)
Total OPEB Liability (Beginning)	150,316,707	159,615,464	181,068,506	194,222,261
Total OPEB Liability (Ending)	<u>\$ 252,679,709</u>	<u>\$ 150,316,707</u>	<u>\$ 159,615,464</u>	<u>\$ 181,068,506</u>
Disctrict's Covered Employee Payroll***	\$ 65,520,494	\$ 64,466,159	\$ 61,786,113	\$ 61,786,113
Net OPEB Liability as a Percentage of Payroll	386%	348%	258%	293%

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

** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2021**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.60% as of June 30, 2019, to 5.40% as of June 30, 2020.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 6.28% as of June 30, 2019, to 7.00% as of June 30, 2020.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.50% as of June 30, 2019, to 2.21% as of June 30, 2020.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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TOWNSHIP OF MONROE SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2021

	I.D.E.A.					
	Title I	Title I -Carryover	Title IIA	Title III	Title IV	Preschool
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	140,674.00	23,200.23	68,426.00	18,767.00	10,343.00	47,777.00
Total Revenues	\$ 140,674.00	\$ 23,200.23	\$ 68,426.00	\$ 18,767.00	\$ 10,343.00	\$ 47,777.00
Expenditures:						
Instruction:						
Salaries of Teachers	\$ 78,866.39	\$ 12,824.53	\$ -	\$ 2,397.24	\$ -	\$ 47,777.00
Purchased Professional - Educational Services	-	-	-	-	-	-
Tuition	-	-	-	-	-	-
General Supplies	49,000.61	6,125.70	-	1,769.76	-	-
Total Instruction	127,867.00	18,950.23	-	4,167.00	-	47,777.00
Support Services:						
Purchased Educational Services	8,637.00	-	62,984.50	5,100.00	-	-
Other Purchased Services (400-500 Series)	-	-	1,250.00	9,500.00	4,950.00	-
Supplies and Materials	4,170.00	4,250.00	4,191.50	-	5,393.00	-
Total Support Services	12,807.00	4,250.00	68,426.00	14,600.00	10,343.00	-
Total Expenditures	140,674.00	23,200.23	68,426.00	18,767.00	10,343.00	47,777.00
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	-	-	-
Fund Balance, July 1 (Restated)	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TOWNSHIP OF MONROE SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2021

	Coronavirus Relief Fund	CAREs	Digital Divide	ESSER II	Mental Health Grant	Student Activity	Total
Revenues:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 296,970.88	\$ 296,970.88
State Sources	-	-	-	-	-	-	-
Federal Sources	220,147.00	47,182.00	191,348.00	145,398.32	3,550.00	-	2,156,336.55
Total Revenues	\$ 220,147.00	\$ 47,182.00	\$ 191,348.00	\$ 145,398.32	\$ 3,550.00	\$ 296,970.88	\$ 2,453,307.43
Expenditures:							
Instruction:							
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141,865.16
Purchased Professional - Educational Services	-	-	-	-	3,550.00	-	3,550.00
Tuition	-	-	-	-	-	-	1,239,524.00
General Supplies	-	16,265.00	191,348.00	17,934.32	-	-	282,443.39
Total Instruction	-	16,265.00	191,348.00	17,934.32	3,550.00	-	1,667,382.55
Support Services:							
Purchased Educational Services	-	-	-	-	-	-	76,721.50
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	15,700.00
Supplies and Materials	220,147.00	30,917.00	-	127,464.00	-	-	396,532.50
Student Activities	-	-	-	-	-	283,842.36	283,842.36
Total Support Services	220,147.00	30,917.00	-	127,464.00	-	283,842.36	772,796.36
Total Expenditures	\$ 220,147.00	\$ 47,182.00	\$ 191,348.00	\$ 145,398.32	\$ 3,550.00	\$ 283,842.36	\$ 2,440,178.91
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	-	-	13,128.52	13,128.52
Fund Balance, July 1 (Restated)	-	-	-	-	-	376,124.88	376,124.88
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 389,253.40	\$ 389,253.40

F. Capital Projects Fund

Not Applicable

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H. Fiduciary Fund
See B-7 and B-8

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I. Long-Term Debt

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED JUNE 30, 2021**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE	RETIRED	BALANCE
			DATE	AMOUNT		JUNE 30, 2020		JUNE 30, 2021
Refunding School District Bonds, Series 2012	4/25/2012	\$ 62,175,000.00	8/1/2021	\$ 4,720,000.00	4.000%	\$ 14,320,000.00	\$ 4,675,000.00	\$ 9,645,000.00
			8/1/2022	4,925,000.00	4.000%			
Refunding School District Bonds Series 2015	3/26/2015	62,600,000.00	3/1/2022	1,535,000.00	5.000%	18,260,000.00	1,265,000.00	16,995,000.00
			3/1/2023	1,940,000.00	5.000%			
			3/1/2024	2,390,000.00	5.000%			
			3/1/2025	2,695,000.00	5.000%			
			3/1/2029	3,385,000.00	3.000%			
			3/1/2035	5,050,000.00	3.500%			
Refunding School District Bonds Series 2020	3/4/2020	85,785,000.00	8/1/2021	1,130,000.00	1.681%	85,785,000.00	1,290,000.00	84,495,000.00
			8/1/2022	1,150,000.00	1.731%			
			8/1/2023	6,255,000.00	1.773%			
			8/1/2024	6,375,000.00	1.846%			
			8/1/2025	9,385,000.00	1.946%			
			8/1/2026	9,610,000.00	2.071%			
			8/1/2027	9,945,000.00	2.171%			
			8/1/2028	6,420,000.00	2.249%			
			8/1/2029	4,075,000.00	2.349%			
			8/1/2030	4,390,000.00	2.399%			
			8/1/2031	4,765,000.00	2.529%			
			8/1/2032	4,885,000.00	2.629%			
			8/1/2033	5,000,000.00	2.729%			
			8/1/2035	5,285,000.00	2.849%			
			8/1/2036	2,875,000.00	2.899%			
			8/1/2037	2,950,000.00	2.949%			
Total					\$ 118,365,000.00	\$ 7,230,000.00	\$ 111,135,000.00	

**TOWNSHIP OF MONROE SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
YEAR ENDED JUNE 30, 2021**

Series	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2020	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2021
Various Equipment 15-16	\$ 666,000.00	\$ 135,441.67	\$ -	\$ 135,441.67	\$ -
Various Equipment 16-17	487,824.28	203,297.62		134,965.75	68,331.87
Various Equipment 17-18	11,775,704.00	705,422.40	-	235,140.80	470,281.60
Various Equipment 18-19	2,443,000.00	1,953,411.62	-	488,356.00	1,465,055.62
Various Equipment 19-20	2,506,500.00	2,506,500.00	-	482,876.77	2,023,623.23
Various Equipment 20-21	1,784,000.00	-	1,784,000.00	-	1,784,000.00
		<u>\$ 5,504,073.31</u>	<u>\$ 1,784,000.00</u>	<u>\$ 1,476,780.99</u>	<u>\$ 5,811,292.32</u>

**TOWNSHIP OF MONROE SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2021**

	JUNE 30, 2021				VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	\$ 10,494,073.00	\$ -	\$ 10,494,073.00	\$10,494,073.00	\$ -
State Sources:					
Debt Service Aid Type II	212,665.00	-	212,665.00	212,665.00	-
Total Revenues	10,706,738.00	-	10,706,738.00	10,706,738.00	-
Expenditures:					
Regular Debt Service:					
Interest	4,766,738.00	(1,290,000.00)	3,476,738.00	2,998,502.98	478,235.02
Redemption of Principal	5,940,000.00	1,290,000.00	7,230,000.00	7,230,000.00	-
Total Regular Debt Service	10,706,738.00	-	10,706,738.00	10,228,502.98	478,235.02
Total Expenditures	10,706,738.00	-	10,706,738.00	10,228,502.98	478,235.02
Excess/(Deficiency) of Revenues Over/(Under)					
Expenditures	-	-	-	478,235.02	478,235.02
Fund Balance, July 1,	1.48	-	1.48	1.48	-
Fund Balance, June 30,	\$ 1.48	\$ -	\$ 1.48	\$ 478,236.50	\$ 478,235.02

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STATISTICAL SECTION (Unaudited)

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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. The Exhibits are presented for the last ten fiscal years.

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TOWNSHIP OF MONROE SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FISCAL YEAR ENDING JUNE 30,										
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 41,664,875.00	\$ 46,231,024.00	\$ 41,182,796.00	\$ 32,317,583.00	\$ 33,961,616.00	\$ 34,545,055.00	\$ 38,298,290.00	\$ 41,304,429.00	\$ 44,179,900.00	\$ 53,714,692.36
Restricted	7,865,714.00	6,052,847.00	5,364,491.00	1,262,848.00	975,000.00	977,500.00	980,500.00	746,802.00	749,302.00	11,368,424.92
Unrestricted (Deficit)				(24,600,329.00)	(23,409,134.00)	(25,686,643.00)	(29,968,015.00)	(32,392,661.00)	(33,387,897.00)	(45,557,447.59)
Total Governmental Activities										
Net Position	\$ 49,530,589.00	\$ 52,283,871.00	\$ 46,547,287.00	\$ 8,980,102.00	\$ 11,527,482.00	\$ 9,835,912.00	\$ 9,310,775.00	\$ 9,658,570.00	\$ 11,541,305.00	\$ 19,525,669.69
Business-Type Activities:										
Net Investment in Capital Assets	\$ 1,018,586.00	\$ 842,522.00	\$ 760,796.00	\$ 666,381.00	\$ 692,513.00	\$ 629,911.00	\$ 1,828,019.00	\$ 678,163.00	\$ 700,641.00	\$ 605,899.70
Unrestricted (Deficit)	601,889.00	409,419.00	610,224.00	707,121.00	1,347,071.00	1,513,618.00	575,421.00	1,528,889.00	882,635.00	447,425.32
Total Business-Type Activities										
Net Position	\$ 1,620,475.00	\$ 1,251,941.00	\$ 1,371,020.00	\$ 1,373,502.00	\$ 2,039,584.00	\$ 2,143,529.00	\$ 2,403,440.00	\$ 2,207,052.00	\$ 1,583,276.00	\$ 1,053,325.02
District-Wide:										
Net Investment in Capital Assets	\$ 42,683,461.00	\$ 47,073,546.00	\$ 41,943,592.00	\$ 32,983,964.00	\$ 34,654,129.00	\$ 35,174,966.00	\$ 40,126,309.00	\$ 41,982,592.00	\$ 44,880,541.00	\$ 54,320,592.06
Restricted	7,865,714.00	6,052,847.00	5,364,491.00	1,262,848.00	975,000.00	977,500.00	980,500.00	746,802.00	749,302.00	11,368,424.92
Unrestricted (Deficit)	601,889.00	409,419.00	610,224.00	(23,893,208.00)	(22,062,063.00)	(24,173,025.00)	(29,392,594.00)	(30,863,772.00)	(32,505,262.00)	(45,110,022.27)
Total District Net Position	\$ 51,151,064.00	\$ 53,535,812.00	\$ 47,918,307.00	\$ 10,353,604.00	\$ 13,567,066.00	\$ 11,979,441.00	\$ 11,714,215.00	\$ 11,865,622.00	\$ 13,124,581.00	\$ 20,578,994.71

Source: CAFR Schedule A-1

*For the year ended June 30, 2021, Net Position was reclassified due to GASB 84

TOWNSHIP OF MONROE SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 40,454,836.00	\$ 42,812,412.00	\$ 41,295,090.00	\$ 45,821,193.00	\$ 48,244,120.00	\$ 60,102,014.00	\$ 56,477,616.00	\$ 56,673,937.00	\$ 57,058,646.00	\$ 70,507,452.28
Special Education	11,326,099.00	12,697,364.00	13,584,230.00	15,169,574.00	16,112,645.00	20,755,331.00	22,326,789.00	23,988,664.00	25,561,573.00	26,717,340.34
Other Special Education	1,246,004.00	1,139,462.00	1,197,279.00	1,571,559.00	1,567,064.00	1,669,184.00	1,621,779.00	1,621,779.00	1,521,283.00	-
Other Instruction	1,954,794.00	1,972,702.00	2,182,506.00	2,396,383.00	2,521,686.00	3,000,781.00	2,964,855.00	3,112,572.00	3,168,266.00	5,005,904.76
Support Services:										
Tuition	1,965,338.00	2,038,153.00	2,182,438.00	2,284,829.00	2,469,164.00	2,385,180.00	2,564,253.00	2,454,529.00	2,160,257.00	2,258,612.59
Student & Instruction Related Services	11,369,266.00	12,683,726.00	12,933,932.00	14,944,019.00	14,945,065.00	18,628,514.00	18,759,499.00	18,041,106.00	19,007,547.00	19,144,913.72
School Administrative Services	\$4,205,256	4,407,946.00	5,879,696.00	4,805,921.00	7,221,060.00	7,243,435.00	7,243,435.00	6,930,421.00	7,021,075.00	6,888,471.15
General Administration	4,295,646.00	4,765,789.00	5,357,956.00	5,475,315.00	5,230,103.00	6,283,720.00	5,762,837.00	6,549,102.00	6,359,106.00	2,292,317.53
Central Services	842,382.00	844,703.00								1,755,352.02
Plant Operations & Maintenance	9,986,268.00	11,004,767.00	12,437,512.00	13,316,975.00	14,071,657.00	15,956,702.00	15,799,174.00	16,257,522.00	15,393,228.00	12,635,450.57
Administration Information Technology	730,230	805,513.00								1,519,198.54
Pupil Transportation	6,396,699.00	8,066,442.00	10,315,515.00	11,531,756.00	12,873,146.00	15,992,424.00	14,850,146.00	10,986,975.00	9,811,706.00	11,608,116.57
Special Schools	83,099.00	67,420.00	91,874.00	80,717.00	85,369.00	95,096.00	51,853.00			-
Charter Schools	\$10,798	10,577.00	42,644.00	44,124.00	91,530.00	96,035.00	131,431.00	142,002.00	196,051.00	-
Interest on Long Term Debt										
Total Governmental Activities	6,018,696.00	6,634,839.00	6,962,615.00	7,156,193.00	6,612,537.00	6,469,745.00	6,967,974.00	5,339,913.00	5,026,947.00	3,141,392.53
Expenses	102,667,813.00	109,991,837.00	114,463,469.00	124,600,556.00	130,931,616.00	158,677,805.00	155,669,580.00	152,098,341.00	152,831,685.00	163,474,522.61
Business-Type Activities:										
Food Service	2,095,513.00	2,378,916.00	2,396,194.00	2,557,692.00	2,504,762.00	3,164,626.00	2,895,533.00	2,884,710.00	1,941,765.00	773,499.40
Child Care Initiative		316,581.00	316,940.00	415,013.00	291,517.00	291,670.00	296,774.00	290,630.00	345,199.00	286,527.47
Falcon Care					416,060.00	412,468.00	420,472.00	407,998.00	480,708.00	398,445.95
Total Business-Type Activities	2,095,513.00	2,695,496.00	2,715,134.00	2,972,905.00	3,212,359.00	3,668,964.00	3,612,779.00	3,583,338.00	2,740,672.00	1,458,472.82
Total District Expenses	\$ 104,963,326.00	\$ 112,687,333.00	\$ 117,178,603.00	\$ 127,573,463.00	\$ 134,143,975.00	\$ 162,746,769.00	\$ 159,282,359.00	\$ 155,681,680.00	\$ 155,572,357.00	\$ 164,932,995.43
Program Revenues:										
Charges for Services:										
Pupil Transportation	\$ 249,993.00	\$ 298,524.00	\$ 340,594.00	\$ 194,932.00	\$ 189,190.00	\$ 286,091.00	\$ 291,082.00	\$ 289,419.00	\$ 202,429.00	\$ 148,413.77
Operating Grants & Contributions	2,293,254.00	1,926,231.00	1,845,740.00	1,990,860.00	2,067,915.00	1,988,940.00	2,047,678.00	1,878,183.00	1,919,079.00	39,720,875.01
Total Governmental Activities	2,543,247.00	2,224,755.00	2,186,334.00	2,185,792.00	2,257,105.00	2,275,031.00	2,338,760.00	2,167,602.00	2,121,508.00	39,869,288.78
Business-Type Activities:										
Charges for Services:										
Food Service	1,756,731.00	1,821,472.00	1,954,294.00	2,027,559.00	2,103,508.00	2,114,632.00	2,126,015.00	2,141,730.00	1,472,084.00	16,939.41
Child Care Initiative		101,518.00	391,940.00	416,142.00	406,092.00	419,471.00	382,079.00	430,748.00	275,388.00	3,979.80
Falcon Care					826,202.00	883,178.00	813,753.00	856,634.00	536,116.00	39,957.70
Operating Grants & Contributions	411,470.00	478,515.00	490,730.00	513,868.00	536,866.00	552,193.00	546,368.00	540,199.00	433,260.00	864,814.10
Total Business-Type Activities	2,168,201.00	2,401,506.00	2,636,964.00	2,957,569.00	3,876,668.00	3,969,474.00	3,868,216.00	3,969,311.00	2,716,848.00	925,691.01
Program Revenues										
Total District Program Revenues	\$ 4,711,448.00	\$ 4,626,261.00	\$ 5,023,296.00	\$ 5,143,361.00	\$ 6,133,773.00	\$ 6,244,505.00	\$ 6,206,976.00	\$ 6,136,913.00	\$ 4,838,356.00	\$ 40,794,979.79
Net (Expense)/Revenue:										
Governmental Activities	\$ (100,344,566.00)	\$ (107,271,118.00)	\$ (112,277,154.00)	\$ (122,414,765.00)	\$ (128,674,511.00)	\$ (156,602,775.00)	\$ (153,330,820.00)	\$ (149,930,739.00)	\$ (150,710,177.00)	\$ (123,605,233.83)
Business-Type Activities	72,686.00	(293,991.00)	121,831.00	(15,335.00)	664,309.00	100,510.00	255,436.00	105,738.00	-	(532,781.81)

TOWNSHIP OF MONROE SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total District-Wide Net Expense	\$ (100,271,878.00)	\$ (107,565,109.00)	\$ (112,155,323.00)	\$ (122,430,101.00)	\$ (128,010,202.00)	\$ (156,502,265.00)	\$ 153,075,383.00	\$ (149,825,001.00)	\$ 150,710,177.00	\$ (124,138,015.64)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 80,061,747.00	\$ 82,177,667.00	\$ 85,818,172.00	\$ 88,659,549.00	\$ 92,308,645.00	\$ 95,431,684.00	\$ 98,013,903.00	\$ 100,353,868.00	\$ 104,513,898.00	\$ 108,062,274.00
Taxes Levied for Debt Service	9,643,475.00	7,572,846.00	5,875,093.00	7,139,140.00	9,863,973.00	10,212,065.00	10,267,265.00	10,970,185.00	11,182,375.00	10,494,073.00
Grants & Contributions	8,686,460.00	11,137,374.00	10,256,344.00	20,473,956.00	24,988,693.00	45,814,386.00	38,533,427.00	33,456,364.00	31,581,216.00	7,413,608.38
Restricted Grants	-	-	11,200.00	-	-	-	-	-	-	-
Tuition Received	3,300,719.00	3,754,670.00	4,070,009.00	3,815,697.00	3,878,175.00	3,696,933.00	4,113,054.00	4,199,973.00	4,210,042.00	4,194,247.32
Investment Earnings	13,367	9,291.00	603,384.00	10,507.00	21,857.00	51,784.00	112,363.00	275,275.00	215,726.00	86,506.71
Miscellaneous Income	759,111.00	438,887.00	96,052.68	526,678.00	369,185.00	898,417.00	1,765,671.00	310,228.00	289,655.00	558,965.25
Transfers	(504,704.00)	(746,570.00)	(108,761.00)	60,671.00	(228,638.00)	-	-	712,641.00	-	-
Total Governmental Activities	101,960,194.00	104,344,165.00	106,540,571.00	120,886,400.00	131,221,890.00	156,378,269.00	152,805,683.00	150,278,534.00	151,992,912.00	130,809,674.66
Business-Type Activities:										
Investment Earnings	533.00	4,307.00	267.00	718.00	1,774.00	3,435.00	4,475.00	-	-	2,830.29
Transfers	760,000.00	(78,849.00)	(3,020.00)	17,100.00	-	-	-	-	(600,000.00)	-
Total Business-Type Activities	3,529.00	(74,542.00)	(2,753.00)	17,818.00	1,774.00	3,435.00	4,475.00	-	(600,000.00)	2,830.29
Total District-Wide	\$ 102,720,727.00	\$ 104,269,623.00	\$ 106,537,818.00	\$ 120,904,218.00	\$ 131,223,664.00	\$ 156,381,704.00	\$ 152,810,158.00	\$ 150,278,534.00	\$ 151,392,912.00	\$ 130,812,504.95
Change in Net Position:										
Governmental Activities	\$ 1,615,629.00	\$ (2,926,953.00)	\$ (5,736,583.00)	\$ (1,528,365.00)	\$ 2,547,379.00	\$ (224,506.00)	\$ (525,137.00)	\$ 347,795.00	\$ 1,282,735.00	\$ 7,204,440.83
Business-Type Activities	833,221.00	(368,533.00)	119,078.00	2,482.00	666,083.00	103,945.00	259,911.00	105,738.00	(600,000.00)	(529,951.52)
Total District	\$ 2,448,849.00	\$ (3,295,486.00)	\$ (5,617,505.00)	\$ (1,525,883.00)	\$ 3,213,462.00	\$ 3,213,462.00	\$ (265,225.00)	\$ 453,533.00	\$ 682,735.00	\$ 6,674,489.31

Source: CAFR Schedule A-2

TOWNSHIP OF MONROE SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Restricted	\$ 9,755,264.00	\$ 8,879,428.00	\$ 8,629,422.00	\$ 9,845,536.00	\$ 12,127,787.00	\$ 13,156,811.00	\$ 12,046,960.00	\$ 9,057,788.00	\$ 9,139,191.00	\$ 10,500,935.02
Assigned	4,449,416.00	-	25,403.00	141,499.00	30,481.00	94,352.00	125,704.00	170,471.00	120,667.00	162,531.49
Unassigned	1,817,610.00	1,850,674.00	1,882,627.00	1,689,076.00	1,722,747.00	1,817,941.00	1,868,455.00	1,808,196.00	1,761,251.00	4,449,416.00
Total General Fund	\$ 16,022,290.00	\$ 10,730,102.00	\$ 10,537,452.00	\$ 11,676,111.00	\$ 13,881,015.00	\$ 15,069,104.00	\$ 14,041,119.00	\$ 11,036,455.00	\$ 11,021,109.00	\$ 15,112,882.51
All Other Governmental Funds:										
Unreserved, Reported in:										
Special Revenue Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 389,253.40
Capital Projects Fund	8,916,018.00	8,554,269.00	2,790,427.00	273,087.00	-	-	-	-	-	-
Debt Service Fund	220,521.00	329,076.00	161,256.00	7,221.00	256,728.00	255,427.00	9.00	4.00	1.00	478,236.50
Total All Other Governmental Funds	\$ 9,136,539.00	\$ 8,883,345.00	\$ 2,951,683.00	\$ 280,308.00	\$ 256,728.00	\$ 255,427.00	\$ 9.00	\$ 4.00	\$ 1.00	\$ 867,489.90

Source: CAFR Schedule B-1

*For the year ended June 30, 2021, Fund Balance was reclassified due to GASB 84

TOWNSHIP OF MONROE SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax Levy	\$ 89,705,222.00	\$ 89,750,513.00	\$ 91,693,265.00	\$ 95,998,689.00	\$ 102,172,618.00	\$ 105,643,749.00	\$ 108,281,168.00	\$ 111,324,053.00	\$ 115,696,273.00	\$ 118,556,347.00
Tuition Charges	3,300,719.00	3,754,670.00	4,070,009.00	3,815,697.00	3,878,175.00	3,969,933.00	4,113,054.00	4,199,973.00	4,210,042.00	4,194,247.32
Transportation Charges	249,993.00	298,524.00	340,594.00	194,932.00	189,190.00	286,090.00	291,082.00	289,419.00	202,429.00	148,413.77
Interest Earnings	8,801.00	5,175.00	9,219.00	4,464.00	2,160.00	51,783.00	115,363.00	275,775.00	218,226.00	86,506.71
Miscellaneous	765,303.00	438,827.00	609,295.00	532,922.00	412,365.00	956,454.00	585,993.00	310,318.00	289,655.00	576,392.40
State Sources	9,174,943.00	11,751,973.00	10,895,462.00	12,213,339.00	13,756,126.00	15,159,212.00	17,659,678.00	21,856,438.00	23,300,422.00	28,886,790.43
Federal Sources	1,803,166.00	1,310,632.00	1,217,822.00	1,359,084.00	1,457,829.00	1,440,848.00	1,471,015.00	1,507,304.00	1,551,669.00	2,217,172.78
Total Revenues	105,008,147.00	107,310,314.00	108,835,666.00	114,119,127.00	121,868,463.00	127,508,069.00	132,517,353.00	139,763,280.00	145,468,716.00	154,665,870.41
Expenditures										
Instruction:										
Regular Instruction	29,318,906.00	29,158,065.00	28,592,390.00	29,950,989.00	30,721,366.00	31,993,540.00	32,257,073.00	34,513,263.00	34,518,275.00	36,349,595.25
Special Education Instruction	8,087,176.00	8,629,252.00	9,310,546.00	9,732,304.00	10,034,699.00	10,874,805.00	12,628,839.00	13,698,022.00	14,527,392.00	13,773,926.92
Other Instruction	2,786,836.00	2,671,712.00	2,717,917.00	2,905,570.00	2,873,251.00	2,782,361.00	2,898,212.00	2,876,432.00	2,808,326.00	2,580,757.08
Support Services:										
Tuition	1,965,338	2,038,153.00	2,182,438.00	2,284,829.00	2,469,164.00	2,385,180.00	2,564,253.00	2,454,529.00	2,160,257.00	2,258,612.59
Student & Instruction Related Services	8,351,871	8,619,985.00	8,949,537.00	9,587,595.00	9,307,549.00	9,865,245.00	10,611,051.00	10,800,678.00	11,382,630.00	12,521,071.65
General Administration	3,002,151.00	2,995,683.00	4,029,908.00	3,104,418.00	3,278,952.00	3,305,971.00	3,259,669.00	3,953,918.00	3,884,641.00	3,648,564.06
School Administrative Services	3,668,059.00	3,812,945.00	3,672,309.00	3,512,783.00	3,803,672.00	3,783,502.00	4,097,148.00	4,184,024.00	4,204,556.00	4,295,720.68
Central Services	842,382.00	-	-	-	-	-	-	-	-	-
Admin. Informational Technology	730,230.00	-	-	-	-	-	-	-	-	-
Plant Operations & Maintenance	6,120,121.00	8,026,382.00	8,524,592.00	8,543,736	8,763,604.00	8,360,552.00	8,936,584.00	9,815,224.00	9,545,173.00	9,426,252.31
Pupil Transportation	6,035,620.00	5,699,102.00	7,122,557.00	7,447,418	8,028,447.00	8,570,580.00	8,644,277.00	6,954,778.00	6,253,615.00	7,595,529.22
Employee Benefits	24,091,815	27,261,510.00	27,094,314.00	26,983,473	27,732,154.00	32,076,424.00	35,464,127.00	41,263,209.00	43,728,988.00	46,719,917.82
Special Schools	59,325.00	59,411.00	62,969.00	51,785	53,166.00	49,826.00	29,330.00	-	-	-
Charter Schools	10,798.00	10,577.00	42,644.00	44,124	91,530.00	98,035.00	131,431.00	142,002.00	196,051.00	-
Capital Outlay	8,661,667.00	1,999,680.00	2,121,141.00	2,477,229	2,713,990.00	2,110,441.00	2,516,384.00	3,775,210.00	3,772,586.00	2,765,896.89
Debt Service:										
Principal	3,651,589.00	4,145,591.00	3,770,927.00	4,160,000.00	4,795,000.00	5,065,000.00	5,630,000.00	6,120,000.00	6,590,000.00	7,230,000.00
Interest & Other Charges	6,654,946.00	5,984,416.00	6,462,507.00	6,317,112	5,772,641.00	5,766,812.00	5,528,363.00	5,277,213.00	5,018,075.00	3,104,687.98
Total Expenditures	114,038,830.00	111,112,464.00	114,656,696.00	117,103,365.00	120,439,185.00	127,088,274.00	135,196,741.00	145,828,502.00	148,590,565.00	152,270,532.45
Excess (Deficiency) of Revenues over (under) Expenditures	(9,030,683.00)	(3,802,150.00)	(5,821,030.00)	(2,984,238.00)	1,429,278.00	419,795.00	(2,679,388.00)	(6,065,222.00)	(3,121,849.00)	2,395,337.96
Other Financing Sources/(Uses):										
Appropriation of Prior Year State Aid		(30.00)								
Capital Leases (Non-budgeted)	166,091.00	300,000.00	1,295,285.00	1,092,886.00	425,255.00	489,469.00	1,175,704.00	2,443,000.00	2,506,500.00	1,784,000.00
Transfers In/ Out	-	-	-	-	-	-	-	600,000.00	600,000.00	-
Total Other Financing Sources/(Uses)	166,091.00	299,970.00	1,295,285.00	1,092,886.00	425,255.00	489,469.00	1,175,704.00	3,043,000.00	3,106,500.00	1,784,000.00
Net Change in Fund Balances	\$ (8,864,592.00)	\$ (3,502,180.00)	\$ (4,525,745.00)	\$ (1,891,352.00)	\$ 1,854,533.00	\$ 909,264.00	\$ (1,503,684.00)	\$ (3,022,222.00)	\$ (15,349.00)	\$ 4,179,337.96
Debt Service as a Percentage of Noncapital Expenditures	9.94%	10.03%	9.80%	9.60%	9.54%	9.32%	9.00%	8.48%	8.47%	7.28%

Source: CAFR Schedule B-2

EXHIBIT J-5

**TOWNSHIP OF MONROE SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)**

FISCAL YEAR ENDING <u>JUNE 30,</u>	INTEREST ON <u>INVESTMENTS</u>	<u>MISCELLANEOUS</u>	<u>TOTAL</u>
2012	\$ 8,801.00	\$ 763,677.00	\$ 772,478.00
2013	5,175.00	433,712.00	438,887.00
2014	9,219.00	603,384.00	612,603.00
2015	4,464.00	531,620.00	536,084.00
2016	21,460.00	389,185.00	410,645.00
2017	7,130.97	898,417.00	905,547.97
2018	51,783.00	585,993.00	637,776.00
2019	275,275.00	310,318.00	585,593.00
2020	215,726.00	289,655.00	505,381.00
2021	86,506.71	192,914.81	279,421.52

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.

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TOWNSHIP OF MONROE SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30 ^a	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	Estimated Actual (County Equalized) Value	TOTAL DIRECT SCHOOL TAX RATE
2012	89,231,504	\$ 2,985,402,625	\$ 33,116,500	\$ 3,498,900	\$ 263,908,300	\$ 206,613,100	21,911,500	\$ 3,603,682,429	\$ 177,362,400	\$ 5,274,912	\$ 3,786,319,741	6,975,769,317	2.486
2013	89,714,800	3,020,005,205	34,127,200	3,461,400	245,767,236	192,150,800	21,911,500	3,607,138,141	181,458,000	4,970,634	3,793,566,775	6,989,065,251	2.511
2014	226,074,400	5,614,354,700	67,333,600	3,268,700	580,187,900	448,243,700	36,224,800	6,975,687,800	301,971,500	9,590,058	7,287,249,358	6,719,653,264	1.344
2015	261,081,900	5,765,927,100	67,016,700	2,934,800	548,020,200	447,836,200	36,224,800	7,129,041,600	304,849,900	9,095,172	7,442,986,672	7,373,011,854	1.389
2016	218,725,500	5,959,240,000	67,296,700	2,815,700	559,241,900	447,471,700	36,224,800	7,291,016,300	306,165,600	8,339,362	7,605,521,262	8,097,648,564	1.424
2017	197,654,600	6,162,460,000	68,177,600	2,993,100	549,722,800	441,727,700	36,224,800	7,458,960,600	314,637,100	8,160,744	7,781,758,444	8,647,586,697	1.433
2018	171,809,800	6,310,949,700	65,026,200	2,784,600	579,086,400	439,895,500	36,224,800	7,605,777,000	320,507,100	6,144,370	7,932,428,470	8,915,617,575	1.443
2019	164,554,500	6,457,545,800	66,104,900	2,661,900	587,795,300	440,832,200	36,224,800	7,755,719,400	321,346,300	6,089,819	8,083,155,519	9,309,723,058	1.453
2020	159,308,400	6,582,110,300	62,609,200	2,540,300	567,651,600	437,221,900	50,799,300	7,862,241,000	324,060,800	6,025,563	8,192,327,363	9,633,733,447	1.489
2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Middlesex County Board of Taxation

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

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

b. Tax rates are per \$100

N/A At the time of CAFR Completion, this data was not yet available

**TOWNSHIP OF MONROE SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	<u>BASIC RATE</u>	<u>GENERAL OBLIGATION DEBT SERVICE</u>	<u>TOTAL DIRECT</u>	<u>Municipality of Monroe</u>	<u>County of Middlesex</u>	
2012	2.275	0.211	2.486	0.933	0.672	4.091
2013	2.350	0.161	2.511	0.919	0.695	4.125
2014	1.244	0.100	1.344	0.505	0.371	2.220
2015	1.255	0.134	1.389	0.506	0.410	2.305
2016	1.286	0.138	1.424	0.508	0.433	2.365
2017	1.298	0.135	1.433	0.509	0.458	2.400
2018	1.302	0.141	1.443	0.528	0.465	2.436
2019	0.135	1.318	1.453	1.027	0.465	2.945
2020	0.129	1.360	1.489	0.548	0.476	2.513
2021	N/A	N/A	N/A	N/A	N/A	N/A

Source: Municipal Tax Assessor

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2021		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	0.000%
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Taxpayer	2012		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	-
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Source: Municipal Tax Assessor

**TOWNSHIP OF MONROE SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2012	\$ 87,705,222.00	\$ 87,705,222.00	100.00%	-
2013	89,750,513.00	89,750,513.00	100.00%	-
2014	91,693,265.00	91,693,265.00	100.00%	-
2015	95,998,689.00	95,998,689.00	100.00%	-
2016	102,172,618.00	102,172,618.00	100.00%	-
2017	105,643,749.00	105,643,749.00	100.00%	-
2018	108,281,168.00	108,281,168.00	100.00%	-
2019	111,324,053.00	111,324,053.00	100.00%	-
2020	115,696,273.00	115,696,273.00	100.00%	-
2021	118,556,347.00	118,556,347.00	100.00%	-

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

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

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 historical view of the School District's outstanding debt and its debt capacity.

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2012	\$ 151,666,517.00	\$ 1,087,333.00	\$ 152,753,850.00	8.23%	3,903.00
2013	147,520,927.00	819,345.00	148,340,272.00	8.98%	3,770.00
2014	143,750,000.00	1,777,221.00	145,527,221.00	8.91%	3,761.00
2015	136,915,000.00	2,406,646.00	139,321,646.00	8.45%	3,560.00
2016	132,120,000.00	2,485,353.00	134,605,353.00	8.20%	3,440.00
2017	127,055,000.00	3,699,334.00	130,754,334.00	7.96%	3,116.00
2018	121,425,000.00	2,754,002.00	124,179,002.00	7.56%	3,173.00
2019	115,305,000.00	4,211,104.00	119,516,104.00	7.27%	3,054.00
2020	118,365,000.00	5,504,073.00	123,869,073.00	7.51%	2,952.00
2021	111,135,000.00	5,811,292.32	116,946,292.32	N/A	0.00

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
See Exhibit J-14 for personal income and population data.

**TOWNSHIP OF MONROE SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2012	\$ 151,666,517.00	\$ -	\$ 151,666,517.00	4.00%	\$ 3,708.77
2013	147,520,927.00	-	147,520,927.00	3.88%	3,552.41
2014	143,750,000.00	-	143,750,000.00	1.97%	3,381.64
2015	136,915,000.00	-	136,915,000.00	1.84%	3,158.14
2016	132,120,000.00	-	132,120,000.00	1.86%	2,995.37
2017	127,055,000.00	-	127,055,000.00	1.63%	2,853.63
2018	121,425,000.00	-	121,425,000.00	1.53%	2,718.94
2019	115,305,000.00	-	115,305,000.00	1.43%	2,560.00
2020	118,365,006.00	-	118,365,006.00	1.41%	2,637.13
2021	111,135,000.00	-	111,135,000.00	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.
See Exhibit J-6 for property tax data.
Population data can be found in Exhibit J-14.

**TOWNSHIP OF MONROE SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2020**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Monroe, Net	\$ 29,304,625.92	100.0%	\$ 29,304,625.92
County of Middlesex, Net	437,455,272.00	8.2671%	<u>36,164,864.79</u>
Subtotal, Overlapping Debt			65,469,490.71
Township of Monroe School District Outstanding Debt			<u>111,135,000.00</u>
Total Direct & Overlapping Debt			<u><u>\$ 176,604,490.71</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Middlesex County Board of Taxation.
Debt Outstanding data provided by each governmental unit.

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

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)

	FISCAL YEAR									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 293,516,283.00	\$ 277,745,152.00	\$ 272,213,213.00	\$ 273,179,880.00	\$ 290,175,163.00	\$ 313,859,404.00	\$ 334,272,989.00	\$ 235,149,853.00	\$ 367,463,784.00	\$ 367,463,784.09
Total Net Debt Applicable to Limit	154,639,255.00	147,520,927.00	143,750,000.00	136,915,000.00	132,120,000.00	127,055,000.00	121,425,000.00	115,305,000.00	118,365,000.00	111,135,000.00
Legal Debt Margin	\$ 138,877,028.00	\$ 130,224,225.00	\$ 128,463,213.00	\$ 136,264,880.00	\$ 158,055,163.00	\$ 186,804,404.00	\$ 212,847,989.00	\$ 119,844,853.00	\$ 249,098,784.00	\$ 256,328,784.09
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	52.69%	53.11%	52.81%	50.12%	45.53%	40.48%	36.33%	49.03%	32.21%	30.24%

Legal Debt Margin Calculation

Equalized Valuation Basis	
2020	\$ 9,713,369,500.00
2019	9,116,357,425.00
2018	8,730,056,882.00
	<u>\$ 27,559,783,807.00</u>
	<u>\$ 9,186,594,602.33</u>
	<u>\$ 367,463,784.09</u>
	<u>111,135,000.00</u>
	<u>\$ 256,328,784.09</u>

Average Equalized Valuation of Taxable Property

Debt Limit (4% of Average Equalization Value)

Net Bonded School Debt

Legal Debt Margin

Source: Equalized valuation bases were obtained from the Middlesex County Board of Taxation

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within 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.

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2012	40,894	2,185,170,890	53,435	9.80%
2013	41,527	2,179,129,325	52,475	10.20%
2014	42,509	2,293,955,676	53,964	8.70%
2015	43,353	2,385,585,531	55,027	6.50%
2016	44,108	2,498,982,848	56,656	4.60%
2017	44,524	2,595,259,436	58,289	4.20%
2018	44,659	2,724,734,908	61,012	4.50%
2019	45,041	2,858,166,737	63,457	4.10%
2020	44,884	N/A	N/A	3.30%
2021	N/A	N/A	N/A	8.80%

Sources:

a Population information provided by the NJ Department of Labor and Workforce Development.

b Personal income has been estimated based upon the municipal population and per capita personal income presented.

c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

d Unemployment data provided by the NJ Department of Labor and Workforce Development.

**TOWNSHIP OF MONROE SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

2021		
PERCENTAGE OF TOTAL EMPLOYEES RANK EMPLOYMENT		

DATA NOT AVAILABLE

Total	<u>0</u>	<u>0.00%</u>
Total Employment - (Estimated)	<u>0</u>	

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.

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**TOWNSHIP OF MONROE SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction:										
Regular	460	462	462	461	463	470	476	496	520	508
Special Education	174	176	174	175	175	176	178	180	182	183
Other Special Instruction	2	2	2	2	2	2	2	2	2	2
Support Services:										
Student & Instruction Related Services	58	58	58	61	62	64	66	69	71	72
General Administration	1	1	1	1	1	1	1	1	1	1
School Administrative Services	16	16	15	16	16	16	17	18	19	19
Other Administrative Services	37	37	35	35	36	36	37	40	39	39
Central Services	10	10	10	11	12	12	12	12	12	12
Administrative Information Technology	14	14	14	12	14	14	14	14	14	14
Plant Operations & Maintenance	69	70	70	70	71	72	72	74	75	75
Pupil Transportation	52	52	54	52	54	55	59	65	69	70
Total	893	898	895	896	906	918	934	971	1,004	995

Source: District Personnel Records

**TOWNSHIP OF MONROE SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/ TEACHER RATIO (d)		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE				
2012	5,893	\$ 94,568,854.00	\$ 16,047.66	0.85%	555	8:9:1	9:2:1	1,060.64	989.21	1.59%	93.27%
2013	6,079	98,576,566.00	16,215.92	1.05%	574	9:2:1	7:8:1	1,043.99	994.70	-1.46%	95.28%
2014	6,143	101,900,688.00	16,588.10	2.30%	562	9:1	7:6:1	1,059.50	1,012.00	-0.83%	95.52%
2015	6,310	103,790,440.00	16,448.56	0.84%	119	9:1	8:6:1	1,068.40	1,020.00	-0.29%	95.47%
2016	6,492	106,830,711.00	16,455.75	0.04%	122	9:7:1	10:2:1	1,071.50	1,023.00	2.98%	95.47%
2017	6,649	113,820,978.00	17,118.51	4.03%	117	9:6:1	9:1:1	1,040.50	999.00	-1.89%	96.01%
2018	6,785	123,818,096.00	18,248.80	6.60%	118	9:6:1	7:1:1	1,060.50	1,013.00	-2.97%	95.52%
2019	6,807	130,637,938.00	19,191.71	5.17%	119	9:2:1	7:2:3	1,093.00	1,048.00	-5.13%	95.88%
2020	6,885	133,209,904.00	19,347.84	0.81%	119	9:2:1	7:2:1	1,152.10	1,105.00	1.86%	95.91%
2021	6,826	136,735,468.21	20,031.56	3.53%	121	9:2:1	7:2:1	1,131.10	1,086.00	-5.18%	96.01%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

**TOWNSHIP OF MONROE SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

<u>DISTRICT BUILDINGS</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Elementary Schools:										
Applegarth										
Square Feet		63,251	57,831	57,831	57,831	57,831	57,831	57,831	57,831	57,831
Capacity		681	340	340	340	340	340	340	340	340
Enrollment		286	349	360	321	369	410	410	442	442
Barclay Brook										
Square Feet	59,237	59,237	59,237	59,237	59,237	59,237	59,237	59,237	59,237	59,237
Capacity	466	466	466	466	466	466	466	466	466	466
Enrollment (a)	436	424	397	370	364	359	333	320	308	308
Brookside										
Square Feet	73,802	59,406	59,406	59,406	59,406	59,406	59,406	59,406	59,406	59,406
Capacity	862	456	456	456	456	456	456	456	456	456
Enrollment	528	540	478	465	423	425	411	401	419	419
Woodland										
Square Feet	55,368	55,368	55,368	55,368	55,368	55,368	55,368	55,368	55,368	55,368
Capacity	420	420	420	420	420	420	420	420	420	420
Enrollment	520	521	496	455	402	415	412	350	307	307
Mill Lake										
Square Feet	73,075	73,075	73,075	73,075	73,075	73,075	73,075	73,075	73,075	73,075
Capacity	554	554	554	554	554	554	554	554	554	554
Enrollment	658	431	421	387	387	642	600	571	546	546
Oak Tree										
Square Feet	81,750	81,750	81,750	81,750	81,750	81,750	81,750	81,750	81,750	81,750
Capacity	599	599	599	599	599	599	599	599	524	524
Enrollment	808	583	619	704	623	690	693	713	742	742
Middle School:										
Square Feet	199,068	199,068	199,068	199,068	199,068	199,068	199,068	199,068	199,068	199,068
Capacity	1,260	1,260	1,260	1,260	1,425	1,425	1,425	1,425	1,260	1,260
Enrollment	1,386	1,382	1,455	1,527	1,628	1,719	1,659	1,709	1,781	1,781
Middle School:										
Monroe High School										
Square Feet	382,699	382,699	382,699	382,699	382,699	382,699	382,699	382,699	382,699	382,699
Capacity	1800	1800	1800	1800	1800	1800	1800	1800	1800	1800
Enrollment	1,758	1,875	1,956	2,067	2,089	2,162	2,297	2,328	2,401	2,401
Number of Schools at June 30, 2021:										
Elementary = 6										
Middle School = 1										
Other = 1										

Source: District Facilities Office, District Records

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

<u>SCHOOL FACILITIES</u>	<u>PROJECT # (s)</u>	<u>Barclay Brook</u>	<u>Brookside</u>	<u>Woodland</u>	<u>Mill Lake</u>	<u>Applegarth</u>	<u>Monroe M.S.</u>	<u>Oak Tree</u>	<u>MTHS</u>	<u>Total</u>
2012	N/A	307,058.00	79,263.00	111,777.00	83,144.00	130,369.00	275,560.00	133,636.00	550,837.00	1,671,644.00
2013	N/A	102,313.00	127,470.00	95,631.00	126,214.00	107,692.00	343,827.00	141,197.00	660,991.00	1,705,335.00
2014	N/A	90,882.00	112,480.00	84,946.00	112,113.00	95,660.00	305,413.00	125,422.00	587,142.00	1,514,058.00
2015	N/A	94,297.00	117,482.00	88,138.00	116,325.00	99,254.00	316,887.00	130,134.00	609,198.00	1,571,715.00
2016	N/A	91,390.00	113,860.00	85,421.00	112,739.00	96,194.00	307,119.00	126,122.00	590,421.00	1,523,266.00
2017	N/A	79,955.00	99,614.00	74,733.00	98,632.00	84,158.00	268,690.00	110,341.00	516,545.00	1,332,668.00
2018	N/A	87,146.00	108,574.00	81,454.00	107,504.00	91,727.00	292,858.00	120,266.00	563,007.00	1,452,536.00
2019	N/A	84,694.00	105,519.00	79,162.00	104,479.00	89,146.00	284,617.00	116,882.00	547,162.00	1,411,661.00
2020	N/A	87,421.00	108,916.00	81,712.00	107,843.00	92,017.00	293,783.00	120,646.00	564,784.00	1,457,122.00
2021	N/A	103,300.00	128,699.00	96,553.00	127,431.00	108,730.00	347,144.00	142,560.00	667,367.00	1,721,784.00

**TOWNSHIP OF MONROE SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2021
UNAUDITED**

	COVERAGE	DEDUCTIBLE	PREMIUM
Multi Peril Package Policy			\$ 369,077.00
PROPERTY:			
Blanket Building and Contents	\$ 249,852,915.00	\$ 10,000.00	
Equipment Breakdown (Boiler & Machinery)	100,000,000.00	10,000.00	
Valuable Papers & Records	10,000,000.00	10,000.00	
Extra Expense	50,000,000.00	10,000.00	
Flood Coverage	75,000,000.00	10,000.00	
Earthquake Coverage	50,000,000.00	10,000.00	
Terrorism Coverage	1,000,000.00	-	
LIABILITY:			
Each Occurance	31,000,000.00		
Aggregate	31,000,000.00		
Fire Damage Legal Liability	1,000,000.00		
Medical Expense	10,000.00		
Employee Benefits Liability			
Each Occurance/Aggregate	1,000,000.00	1,000.00	
Cyber Liability (Privacy/Network/Internet)	1,000,000.00		
Sexual Abuse	27,000,000.00		
Terrorism	1,000,000.00		
CRIME:			
Employee Dishonesty/Fathful Performance	500,000.00	1,000.00	
Forgery & Alteration	500,000.00	1,000.00	
Computer Fraud	500,000.00	1,000.00	
Money & Securities	100,000.00	500.00	
Money Orders/Counterfeit Paper Currency	100,000.00	500.00	
INLAND MARINE - MISC. ARTICLES FLOATER:			
Cameras	50,000.00	1,000.00	
Musical Instruments	500,000.00	1,000.00	
Mobile Equipment	500,000.00	1,000.00	
EDP - Hardware/Software/Extra Expense	2,800,000.00	1,000.00	
BUSINESS AUTOMOBILE POLICY - NJSIG			
Each Accident (Bodily Injury & Property Damage)	31,000,000.00		
Medical Payments	10,000.00		
Uninsured/Underinsured Motorists Liability-PPT	1,000,000.00		
Uninsured/Underinsured Motorists Liability-All Other	15,000.00		
Garagekeepers Liability	Included		
Physical Damage Coverage			
Comprehensive	Actual Cash Value	1,000.00	
Collision	Actual Cash Value	1,000.00	
Terrorism	1,000,000.00		
ENVIRONMENTAL LIABILITY	1,000,000.00	50,000.00	Included in pkg

**TOWNSHIP OF MONROE SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2021
UNAUDITED**

	COVERAGE	DEDUCTIBLE	PREMIUM
WORKERS COMPENSATION POLICY - NJSIG			
Section A - Statutory	New Jersey		\$ 587,480.00
Section B - Employers Liability			
Bodily Injury by Accident - Each Accident	\$ 300,000.00		
Bodily Injury by Disease - Each Employee	300,000.00		
Bodily Injury by Disease - Policy Limit	300,000.00		
Experience Modification	0.508		
SUPPLEMENTARY WORKERS COMPENSATION POLICY - NJSIG			
Limit of Liability - Up to 52 weeks with maximum of \$1,750 per week		7 Days	
SCHOOL BOARD LEGAL LIABILITY POLICY - NJSIG			
Coverage A - Each Policy Period	31,000,000.00	\$ 10,000.00	
Coverage B - Limit of Liability - Each Claim	100,000.00		
Coverage B - Limit of Liability - Each Claim	300,000.00	10,000.00	
STUDENT ACCIDENT POLICY - ZURICH INS. 8/1/19-20			
Limit	5,000,000.00	Full Excess	85,367.00
STORAGE TANK LIABILITY POLICY			
Limit of Liability	1,000,000.00	Per Tank	50,000.00
Aggregate - for all storage tanks	2,000,000.00		
Aggregate - for all legal defense expenses	2,000,000.00		
Total Policy Aggregate	4,000,000.00		
BONDS			
Public Officials Bond - Dyna Barnosky Accounting Clerk	750,000.00		1,819.00
Public Officials Bond - Laura Anne Allen Account Supervisor	750,000.00		1,819.00
Public Officials Bond - Michael Charles Gorski Business Admin./Board Secretary	750,000.00		1,819.00

SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Township of Monroe School District
County of Middlesex
Monroe Township, NJ 08831

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Monroe School District as of and for the 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 February 28, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 determination of financial statement. 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 School District'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 School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Lakewood, New Jersey
February 28, 2022

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Township of Monroe School District
County of Middlesex
Monroe Township, NJ 08831

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Monroe School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/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 Township of Monroe 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 Township of Monroe 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; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal 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 School District's compliance.

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of the Township of Monroe 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 or 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 or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Lakewood, New Jersey
February 28, 2022

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

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2020	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE, JUNE 30, 2021 (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR
U.S. Department of Health and Human Services															
Passed Through New Jersey Department of Human Services:															
COVID Medical Assistance Program (SEMI)	93.778	210SNJMAP	100-010-3350-028	\$ 60,701.24	7/1/20-6/30/21	\$ -	-	\$ 60,701.24	\$ -	-	-	-	\$ -	\$ -	-
COVID Medical Assistance Program (SEMI)	93.778	210SNJMAP	100-010-3350-028	5,834.53	7/1/20-6/30/21	-	-	5,834.53	(5,834.53)	-	-	-	-	-	-
Total Medicaid Cluster:				66,535.77		-	-	66,535.77	(66,535.77)	-	-	-	-	-	-
Total U.S. Department of Health and Human Services															
U.S. Department of Agriculture															
Passed Through New Jersey Department of Agriculture:															
Child Nutrition Cluster:															
School Breakfast Program	10.553	21INJ304NI099	100-010-3350-028	177,824.43	7/1/20-6/30/21	-	-	142,494.66	(177,824.43)	-	-	-	-	(35,329.77)	-
NSLP Equipment Assistance	10.579	N/A	100-010-3350-007	27,367.84	7/1/20-6/30/21	-	-	27,367.84	(27,367.84)	-	-	-	-	-	-
National School Lunch Program	10.555	21INJ304NI099	100-010-3350-026	481,721.22	7/1/20-6/30/21	-	-	467,535.37	(472,302.09)	-	-	-	-	(4,766.72)	-
Healthy Hunger-Free Kids Act	10.555	21INJ304NI099	100-010-3350-026	232,349.81	7/1/20-6/30/21	(4,398.90)	-	4,398.90	-	-	-	-	-	-	-
Healthy Hunger-Free Kids Act	10.555	21INJ304NI099	100-010-3350-026	9,419.13	7/1/20-6/30/21	(90.30)	-	8,110.62	(9,419.13)	-	-	-	-	(1,508.51)	-
Food Distribution Program (Non-Food Assistance)	10.555	21INJ304NI099	100-010-3350-026	53,840.88	7/1/20-6/30/21	-	-	53,840.88	(53,840.88)	-	-	-	-	-	-
Food Distribution Program (Non-Food Assistance)	10.555	21INJ304NI099	100-010-3350-026	124,293.95	7/1/20-6/30/21	24,513.76	-	99,780.12	(97,869.28)	-	-	-	26,924.60	(53,840.88)	-
			Unavailable			20,044.56	-	607,263.15	(632,981.33)	-	-	-	26,924.60	(59,916.06)	-
Total Child Nutrition Cluster						20,044.56	-	777,125.65	(838,123.60)	-	-	-	26,924.60	(95,245.83)	-
Total U.S. Department of Agriculture															
U.S. Department of Education															
Passed Through New Jersey Department of Education:															
Language Acquisition	84.010	S010A210080	100-034-5064-194	140,674.00	7/1/20-6/30/21	-	-	140,674.00	(140,674.00)	-	-	-	-	-	-
Secondary Act:	84.010	S010A200060	100-034-5064-194	140,110.00	7/1/19-6/30/20	(21,223.77)	-	44,424.01	(23,200.23)	-	-	(0.01)	-	-	-
Title I - Part A						(21,223.77)	-	185,098.01	(163,874.23)	-	-	-	-	-	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A210029	100-034-5063-290	68,426.00	7/1/20-6/30/21	-	-	68,426.00	(68,426.00)	-	-	-	-	-	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A200029	100-034-5063-290	72,712.00	7/1/19-6/30/20	(6,877.00)	-	6,877.00	-	-	-	-	-	-	-
						(6,877.00)	-	75,303.00	(68,426.00)	-	-	-	-	-	-
Title III - English Language Acquisition	84.365	S365A210080	100-034-5064-187	18,767.00	7/1/20-6/30/21	-	-	18,767.00	(18,767.00)	-	-	-	-	-	-
Title III - English Language Acquisition	84.365	S365A200080	100-034-5064-187	13,404.00	7/1/19-6/30/20	(1,745.00)	-	1,745.00	-	-	-	-	-	-	-
						(1,745.00)	-	20,512.00	(18,767.00)	-	-	-	-	-	-
Title IV - Part A	84.424A	S424A210081	100-034-5063-348	10,343.00	7/1/20-6/30/21	-	-	10,343.00	(10,343.00)	-	-	-	-	-	-
						-	-	10,343.00	(10,343.00)	-	-	-	-	-	-
Special Education Cluster:															
IDE A, Part B	84.027	H027A210100	100-034-5065-016	1,239,524.00	7/1/20-6/30/21	-	-	1,239,524.00	(1,239,524.00)	-	-	-	-	-	-
IDE A, Part B						-	-	1,239,524.00	(1,239,524.00)	-	-	-	-	-	-
IDE A, Preschool	84.173	H173A210114	100-034-5065-020	47,777.00	7/1/20-6/30/21	-	-	47,777.00	(47,777.00)	-	-	-	-	-	-
						-	-	47,777.00	(47,777.00)	-	-	-	-	-	-
Total Special Education Cluster						-	-	1,287,301.00	(1,287,301.00)	-	-	-	-	-	-
CARES Act	84.425	S425D200027	N/A	47,182.00	3/13/20-9/30/22	-	-	47,182.00	(47,182.00)	-	-	-	-	-	-
CARES Act	84.425	S425D200027	N/A	112,607.00	3/13/20-9/30/22	(71,577.00)	-	71,577.00	-	-	-	-	-	-	-
ESSER II	84.425	S425D200027	N/A	145,398.72	3/13/20-9/30/22	(71,577.00)	-	-	(145,398.32)	-	-	-	-	(145,398.32)	-
						(71,577.00)	-	118,739.00	(192,803.32)	-	-	-	-	(145,398.32)	-
Coronavirus Relief Fund	21.019	N/A	100-034-5120-517	220,147.00	7/1/20-6/30/21	-	-	220,147.00	(220,147.00)	-	-	-	-	-	-
Digital Divide	21.019	N/A	100-034-5120-516	191,348.00	7/1/20-6/30/21	-	-	191,348.00	(191,348.00)	-	-	-	-	-	-
						-	-	411,495.00	(411,495.00)	-	-	-	-	-	-
Mental Health Grant	93.243	N/A	N/A	3,550.00	7/1/20-6/30/21	-	-	3,550.00	(3,550.00)	-	-	-	-	-	-
						-	-	3,550.00	(3,550.00)	-	-	-	-	-	-
Total U.S. Department of Education						(101,422.77)	-	2,112,361.01	(2,156,336.35)	-	-	(0.01)	-	(145,398.32)	-
Total Expenditures of Federal Awards						\$ (81,378.21)	\$ -	\$ 2,956,022.43	\$ (3,060,995.92)	\$ -	\$ -	(0.01)	\$ 26,924.60	\$ (240,644.15)	\$ -

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TOWNSHIP OF MONROE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2021

STATE GRANTOR/ PROGRAM TITLE	GRANT OR PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2020	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENT	MEMO		
										UNEARNED REVENUE	DUE TO GRANTOR	CUMULATIVE TOTAL EXPENDITURES
<u>New Jersey Department of Education:</u>												
General Fund:												
State Aid Public:												
Special Education Categorical Aid	495-034-5120-089	\$ 3,381,921.00	7/1/20-6/30/21	-	-	\$ 3,381,921.00	\$ (3,381,921.00)	-	\$ -	\$ -	\$ -	\$ 3,381,921.00
Security Aid	495-034-5120-084	103,764.00	7/1/20-6/30/21	-	-	103,764.00	(103,764.00)	-	-	-	-	103,764.00
Total State Aid Public				-	-	3,485,685.00	(3,485,685.00)	-	-	-	-	3,485,685.00
Transportation Aid	495-034-5120-014	2,753,019.00	7/1/20-6/30/21	-	-	2,753,019.00	(2,753,019.00)	-	-	-	-	2,753,019.00
Extraordinary Aid	495-034-5120-044	696,780.00	7/1/20-6/30/21	-	-	46,810.00	(696,780.00)	-	-	-	-	696,780.00
Allyssa's Law (Securing our Children's Future	495-034-5120-044	467,331.00	7/1/19-6/30/20	(467,331.00)	-	467,331.00	-	-	-	(649,970.00)	-	-
Additional Non-Public Transportation Aid	N/A	-	7/1/20-6/30/21	-	-	-	(387,666.61)	-	-	(387,666.61)	-	387,666.61
Reimbursed for Social Security Contributions	495-034-5120-014	79,750.00	7/1/20-6/30/21	-	-	-	(79,750.00)	-	-	(79,750.00)	-	79,750.00
Reimbursed for Social Security Contributions	495-034-5120-014	3,919,299.82	7/1/19-6/30/20	(185,168.85)	-	3,919,299.82	(3,919,299.82)	-	-	-	-	3,919,299.82
TPAF - Post Retirement	495-034-5094-003	3,763,040.21	7/1/19-6/30/20	-	-	185,168.85	-	-	-	-	-	-
Medical (Noncash Assistance)	495-034-5094-001	4,144,121.00	7/1/20-6/30/21	-	-	4,144,121.00	(4,144,121.00)	-	-	-	-	4,144,121.00
TPAF - Pension	495-034-5094-002	13,223,761.00	7/1/20-6/30/21	-	-	13,223,761.00	(13,223,761.00)	-	-	-	-	13,223,761.00
TPAF - Long-Term Disability	495-034-5094-004	7,843.00	7/1/20-6/30/21	-	-	7,843.00	(7,843.00)	-	-	-	-	7,843.00
Total General Fund				(652,499.85)	-	28,233,038.67	(28,697,925.43)	-	-	(1,117,386.61)	-	28,697,925.43
Debt Service Fund:												
Debt Service Aid	495-034-5120-017	212,665.00	7/1/20-6/30/21	-	-	212,665.00	(212,665.00)	-	-	-	-	212,665.00
Total Debt Service Fund				-	-	212,665.00	(212,665.00)	-	-	-	-	212,665.00
<u>New Jersey Department of Agriculture:</u>												
Enterprise Fund:												
National School Lunch Program	100-010-3350-023	26,690.50	7/1/20-6/30/21	-	-	19,309.65	(26,690.50)	-	-	-	(7,380.85)	26,690.50
National School Lunch Program	100-010-3350-023	26,071.94	7/1/19-6/30/20	(6,091.65)	-	6,091.65	-	-	-	-	-	-
Total Enterprise Fund				(6,091.65)	-	25,401.30	(26,690.50)	-	-	(7,380.85)	-	26,690.50
Total State Financial Assistance				\$ (658,591.50)	\$ -	\$ 28,471,104.97	\$ (28,937,280.93)	\$ -	\$ -	\$ (1,124,767.46)	\$ -	\$ 28,937,280.93
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:												
TPAF - Post Retirement	495-034-5094-001	\$ 4,144,121.00	7/1/20-6/30/21			\$ -						
Medical (Noncash Assistance)												
TPAF - Pension	495-034-5094-002	13,223,761.00	7/1/20-6/30/21				13,223,761.00					
Contributions (Noncash Assistance)												
TPAF - Long-Term Disability	495-034-5094-004	7,843.00	7/1/20-6/30/21				7,843.00					
Insurance (Noncash Assistance)												
Total State Financial Assistance Subject to Calculation for Major Program Determination				\$ -		\$ (11,561,555.93)						

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TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2021

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Township of Monroe School District. The School District is defined in Note 1 of the 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 New Jersey OMB's Circular 15-08, 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 is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule 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* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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

TOWNSHIP OF MONROE SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2021 (Continued)

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$23,800.00) for the general fund and (\$5,699.54) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 66,535.77	\$ 28,674,125.43	\$ 28,740,661.20
Special Revenue Fund	2,150,637.01	-	2,150,637.01
Debt Service Fund	-	212,665.00	212,665.00
Food Service Fund	838,123.60	26,690.50	864,814.10
Total Awards & Financial Assistance	<u>\$ 3,055,296.38</u>	<u>\$ 28,913,480.93</u>	<u>\$ 31,968,777.31</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Township of Monroe School District had no loan balances outstanding at June 30, 2021.

**TOWNSHIP OF MONROE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> 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 2 CFR 200 section .516(a) of Uniform Guidance?		
	_____ yes	_____ <u>X</u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	N/A	COVID Relief Fund
21.019	N/A	Digital Divide
		Child Nutrition Cluster
10.553	211NJ304N1099	School Breakfast Program
10.579	N/A	NSLP Equipment Assistance
10.555	211NJ304N1099	National School Lunch Program
84.425D	S425D200027	CARES Emergency Relief
84.425D	S425D200027	ESSER II

Dollar threshold used to determine Type A programs		\$ 750,000
Auditee qualified as low-risk auditee?	_____ <u>X</u> yes	_____ no

State Financial Assistance

Identification of major programs:

Name of State Program

State Aid Public
Special Education Categorical Aid
Security Aid

**TOWNSHIP OF MONROE SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**TOWNSHIP OF MONROE SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**TOWNSHIP OF MONROE SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2021**

This section identifies the status of prior year findings related to the financial statements, 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.