

**SCHOOL DISTRICT  
OF**

**OAKLYN**

**Oaklyn Board of Education  
Oaklyn, New Jersey**

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

**Annual Comprehensive  
Financial Report**

**of the**

**Oaklyn Board of Education**

**Oaklyn, New Jersey**

**For the Fiscal Year Ended June 30, 2021**

**Prepared by  
Oaklyn Board of Education  
Finance Department**

**OAKLYN SCHOOL DISTRICT**

**INTRODUCTORY SECTION**

	<u>Page</u>
Letter of Transmittal	2
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8

**FINANCIAL SECTION**

<b>Independent Auditor's Report</b>	10
-------------------------------------	----

<b>Required Supplementary Information - Part I Management's Discussion and Analysis</b>	14
---	----

**Basic Financial Statements**

A. District-wide Financial Statements:

A-1	Statement of Net Position	25
A-2	Statement of Activities	26

B. Fund Financial Statements:

Governmental Funds:

B-1	Balance Sheet	28
B-2	Statement of Revenues, Expenditures, and Changes in Fund Balances	29
B-3	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30

Proprietary Funds:

B-4	Statement of Net Position	31
B-5	Statement of Revenues, Expenses, and Changes in Fund Net Position	32
B-6	Statement of Cash Flows	33

Fiduciary Funds	N/A
-----------------	-----

<b>Notes to the Financial Statements</b>	34
--	----

**Required Supplementary Information - Part II**

C.	Budgetary Comparison Schedules	
C-1	Budgetary Comparison Schedule - General Fund	66
C-1a	Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (if applicable)	N/A
C-2	Budgetary Comparison Schedule - Special Revenue Fund	73

**Notes to the Required Supplementary Information**

C-3	Budget-to-GAAP Reconciliation	74
-----	-------------------------------	----

**Required Supplementary Information - Part III**

L.	Schedules Related to Accounting and Reporting for Pensions (GASB-68)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System	76
L-2	Schedule of the District Contributions - Public Employees Retirement System	77
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Pension and Annuity Fund	78
M.	Schedule Related to Accounting and Reporting for OPEB (GASB-75)	
M-1	Schedule of Changes in the District's Total OPEB Liability Share of the Net OPEB Liability and Related Ratios	79

	<b>Notes to the Required Supplementary Information - Part III</b>	80
--	---	----

**Other Supplementary Information**

D.	School Level Schedules :	N/A
E.	Special Revenue Fund:	
E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis	83
E-2	Preschool Education Aid Expenditures	85
F.	Capital Projects Fund:	
F-1	Summary Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	88
F-2	Summary Statement of Project Expenditures	90
G.	Proprietary Fund:	
	Enterprise Fund:	
G-1	Combining Statement of Net Position	92
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	93
G-3	Combining Statement of Cash Flows	94
H.	Fiduciary Funds	N/A



**I. Long-Term Debt:**

I-1	Schedule of Serial Bonds	96
I-2	Schedule of Obligations under Capital Leases	N/A
I-3	Budgetary Comparison Schedule	97

**STATISTICAL SECTION (Unaudited)**

J-1	Net Position by Component	99
J-2	Changes in Net Position, Last Ten Fiscal Years	100
J-3	Fund Balances, Governmental Funds, Last Ten Fiscal Years	102
J-4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	103
J-5	General Fund - Other Local Revenue by Source, Last Ten Fiscal Years	104
J-6	Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	105
J-7	Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	106
J-8	Principal Property Tax Payers, Current Year and Nine Years Ago	107
J-9	Property Tax Levies and Collections, Last Ten Fiscal Years	108
J-10	Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	109
J-11	Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years	110
J-12	Ratios of Overlapping Governmental Activities Debt, As of December 31, 2020	111
J-13	Legal Debt Margin Information, Last Ten Fiscal Years	112
J-14	Demographic and Economic Statistics	113
J-15	Principal Employers, Current Year & Nine Years Ago (information not available)	N/A
J-16	Full-time Equivalent District Employees by Function/Program, Last Ten Fiscal Years	114
J-17	Operating Statistics, Last Ten Fiscal Years	115
J-18	School Building Information, Last Ten Fiscal Years	116
J-19	Schedule of Required Maintenance, Last Ten Fiscal Years	117
J-20	Insurance Schedule	118

**SINGLE AUDIT SECTION**

K-1	Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	120
K-2	Report on Compliance for Each Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey Circular 15-08-OMB	122
K-3	Schedule of Expenditures of Federal Awards, Schedule A	124
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	125
K-5	Notes to the Schedules of Awards and Financial Assistance	126
K-6	Schedule of Findings and Questioned Costs	
	Section 1 - Financial Statement Findings	128
	Section 2 -Schedule of Financial Statement Findings	130
	Section 3 -Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs	131
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	132

## **Introductory Section**



# OAKLYN PUBLIC SCHOOL DISTRICT

156 Kendall Boulevard  
Oaklyn, New Jersey 08107  
[www.oaklyn.k12.nj.us](http://www.oaklyn.k12.nj.us)

Dr. Fredrick McDowell  
Superintendent  
856.858.0335 x500

Beth Ann Coleman RSBA  
Business Administrator/Board Secretary  
856.962.5720

Ms. Jennifer Boulden  
Principal  
856.858.0335 x226

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January 28, 2022

Honorable President and  
Members of the Board of Education  
Oaklyn Public School District  
156 Kendall Boulevard  
Oaklyn, New Jersey 08107

Dear Board Members:

The annual comprehensive financial report (ACFR) of the Oaklyn Public School District for the fiscal year ended June 30, 2021, is hereby submitted. This ACFR includes the District's basic financial statements prepared in accordance with Governmental Accounting Standards Board Statement 34. 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. 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 designated to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections:

- The Introductory Section contains a letter of transmittal, an organizational chart of the District, a roster of principal officials, and a list of consultants and advisors;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the basic financial statements, and notes providing an overview of the District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the 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 Single Audit Act of 1986, as amended, the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the New Jersey OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments. Information related to this single audit, including the auditors' reports on the internal control structure and compliance with applicable laws and regulations, and findings and recommendations, if any, are included in the single audit section of this report.

## Reporting Entity and Its Services

The Oaklyn Public School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Oaklyn Board of Education and its one school constitute the District's reporting entity.

The District continues to maintain a high quality of education. The District provides a full range of programs and services appropriate to grade levels Pre-K through 5. These include regular education, programs for the very able students (gifted and talented), as well as special education for handicapped youngsters. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>
2020-21	274
2019-20	285
2018-19	247
2017-18	358
2016-17	366

For fiscal year 2020-21, the district administrative structure included a shared superintendent, a shared business administrator/board secretary, and a principal. The nine-member Board of Education is an elected body consisting of nine members from Oaklyn. The Board of Education meets on the third Tuesday of each month for its regular Board meetings (with some exceptions). During its Board meetings, the Board determines district goals and priorities and conducts business of the Board of Education. Board meetings are open to the public and begin at 6:30 pm.

The District is committed to helping every student reach his or her individual potential, capabilities and goals, and in doing so, provides a stimulating physical and social environment which is designed to activate the appetite for learning and motivate the students to excel to their fullest potential. It is the District philosophy that education must be flexible and oriented toward the future and that we must attempt to insure the fulfillment of the student's educational aspirations and their correlated growth characteristics. Our educational process shall continually be improved, expanded, and evaluated to meet the demands of the times. We must provide a physical and social environment which discovers, develops, and nurtures human talents, self-confidence, and critical thinking.

As society moves into the twenty-first century, we must challenge students to become critical, independent thinkers. Additionally, an emphasis has been placed on technology throughout the District through integration and immersion. The District has adopted the goals, objectives and proficiencies outlined in the Technology Plan.

## Economic Condition and Outlook

Oaklyn is a fully developed community whose population, ethnicity and economic status have remained relatively stable over the past ten years.

Oaklyn offers a vibrant full day Preschool program that has proven to be very successful.

## **Goals and Reflections:**

1. Continued emphasis on STEAM content.
2. Implement trauma informed practices.

## **Internal Accounting Controls**

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

As a recipient of Federal and State financial assistance, the District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal controls are 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 controls, including that portion related to Federal and State financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

## **Budgetary Controls**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget 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 for 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at year end.

## **Accounting System and Reports**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the fund basis. These funds are explained in "Notes to the Financial Statements", Note 1.

## **Management's Discussion and Analysis**

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in connection with it. The District's MD&A can be found immediately following the report of the independent auditors.

## **Cash Management**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District is required to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

## **Risk Management**

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

## **Independent Audit**

State statutes require an annual audit by independent Certified Public Accountants or registered municipal accountants. The accounting firm of Inverso & Stewart, LLC, was selected by the Board of Education. In addition to meeting the requirements set forth in the state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey Circular 04-04, as revised. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

## **Acknowledgements**

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

Respectfully submitted,



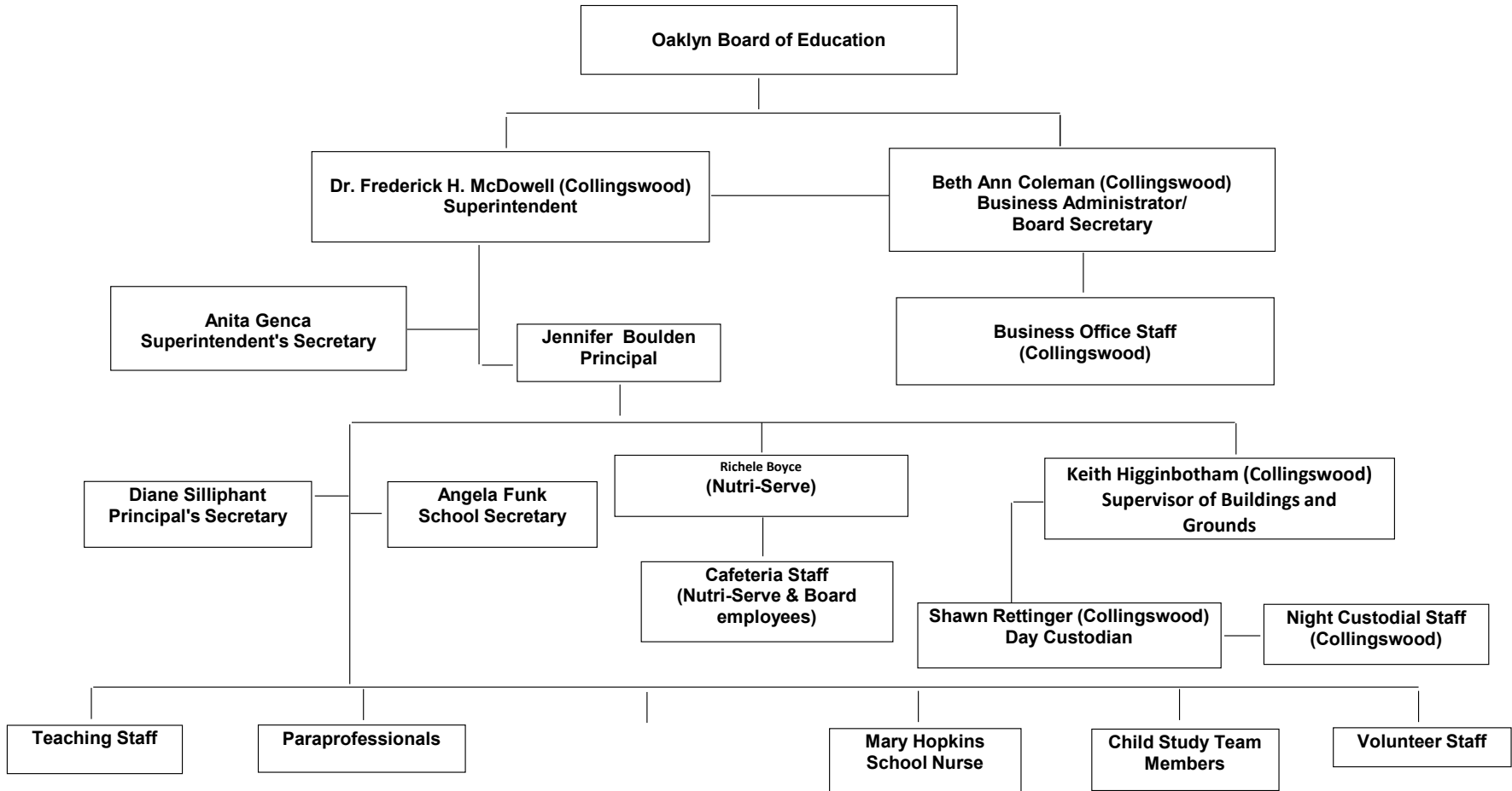
Dr. Fredrick McDowell  
Superintendent



Beth Ann Coleman  
Business Administrator/Board Secretary

# OAKLYN PUBLIC SCHOOL DISTRICT

## Organizational Chart



# OAKLYN SCHOOL DISTRICT

## Roster of Officials

June 30, 2021

### Members of the Board of Education:

### Term Expires

William Stauts, President	12/31/2022
Todd Schaefer, Vice President	12/31/2022
Denise Buczko	12/31/2021
Colleen Faupel	12/31/2023
Robert Fink	12/31/2021
Therese Marmion	12/31/2021
James McMillan	12/31/2023
Christine Reily	12/31/2022
Richard Taibi	12/31/2023

### Other Officials:

Dr. Fredrick H. McDowell, Superintendent  
Beth Ann Coleman, Business Administrator/Board Secretary  
Jennifer Boulden, Principal  
Robert A. Muccilli, Esq., Solicitor



**OAKLYN SCHOOL DISTRICT  
Consultants and Advisors**

**Audit Firm**

Inverso & Stewart, LLC  
651 Route 73 North, Suite 402  
Marlton, NJ 08053

**Attorney**

Capehart & Scatchard, P.A.  
Robert A. Muccilli, Esq.  
8000 Midlantic Drive  
Mount Laurel, NJ 08054

**Architect**

Garrison Architects  
713 Creek Road  
Bellmawr, NJ 08031

**Official Depository**

1st Colonial National Bank  
1150 Haddon Avenue  
Collingswood, NJ 08108

**Financial Section**

***INVERSO & STEWART, LLC***  
Certified Public Accountants

651 Route 73 North, Suite 402  
Marlton, New Jersey 08053  
(856) 983-2244  
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E-Mail: rinverso@inversocpa.com

-Member of-  
American Institute of CPAs  
New Jersey Society of CPAs

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Oaklyn School District  
County of Camden  
Oaklyn, New Jersey

***Report on the Financial Statements***

I 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 Oaklyn School District, in the County of Camden, 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***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that I 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 School 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 School District's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

***Opinions***

In my 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 Oaklyn School District, in the County of Camden, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

### *Adoption of New Accounting Principle*

As discussed in Note 21 to the financial statements, during the fiscal year ended June 30, 2021, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. My opinions are not modified with respect to this matter.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability and schedule of the School District's contributions, schedule of the State's proportionate share of the net OPEB liability associated with the School District and changes in the total OPEB liability and related ratios as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my 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 and statistical sections 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, I do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated January 28, 2022 on my consideration of the Oaklyn School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Oaklyn School District's internal control over financial reporting and compliance.

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
January 28, 2022

Required Supplementary Information - Part I  
Management's Discussion and Analysis

**Oaklyn School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021**

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

**Financial Highlights**

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$3,060,950.
- Governmental activities have an unrestricted deficit balance of \$98,212. The accounting treatments in the governmental funds for compensated absences payable, the June state aid payments, state statutes that prohibit school districts from maintaining more than 4% of its adopted budget as unrestricted fund balance and the adoption of GASB 68 are primarily responsible for this deficit balance.
- The total net position of the School District increased by \$1,771,381, or a 141.35% increase from the prior fiscal year-end balance. This increase is due operations in the general fund, increased investment in our school building and increase in our capital reserve account.
- Fund balance of the School District's governmental funds decreased by \$1,933,666 resulting in an ending fund balance of \$1,469,288. The decrease is a direct result of the operations in the general fund.
- Business-type activities have an unrestricted balance of \$64,828, which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations decreased by \$89,978 which is the result of bond payment, increase in compensated absences and a decrease in net pension liability.

## Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund Program.

### Fund Financial Statements

*Fund financial statements* are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.



Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

### **Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

### **District-wide Financial Analysis**

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year.

The assets of the primary government activities exceeded liabilities by \$2,833,496 with an unrestricted deficit balance of \$98,212. The net position of the primary government does not include internal balances. As mentioned earlier, deficit unrestricted balance is primarily due to the accounting treatment for compensated absences payable the delayed June state aid payments, state statutes that prohibit school districts from maintaining more than 4% of its adopted budget as unrestricted fund balance and the adoption of GASB 68.

A net investment of \$1,743,416 in land, improvements, buildings and equipment which provide the services to the Oaklyn School District's public school students, represents 61.53% of the School District's net position. The change is due to the adoption of GASB 68 and bond proceeds. The balance of \$1,188,292 has been restricted as follows:

Restricted for subsequent year's budget	\$ 363,803
Maintenance reserve	\$ 302,918
Unemployment Compensation	\$ 30,826
Capital reserve	\$ 468,732
Debt service	\$ 12,816
Student activities	\$ 9,101
Scholarships	<u>\$ 19</u>
Total	<u>\$1,188,292</u>

**Comparative Summary of Net Position  
As of June 30, 2021 and 2020**

	Governmental Activities		Business Type Activities		District Wide	
	2021	2020	2021	2020	2021	2020
<b>Assets</b>						
Current Assets	\$1,583,713	\$ 3,419,313	\$ 201,149	\$ 72,717	\$1,784,862	\$3,492,030
Capital Assets	\$5,043,416	\$ 1,610,318	\$ 162,626	\$ 53,178	\$5,206,042	\$1,663,496
<b>Total Assets</b>	<b>\$6,627,129</b>	<b>\$ 5,029,631</b>	<b>\$ 363,775</b>	<b>\$ 125,895</b>	<b>\$6,990,904</b>	<b>\$5,155,526</b>
Deferred Outflow	\$ 67,420	\$ 59,337		\$ -	\$ 67,420	\$ 59,337
<b>Liabilities</b>						
Current Liabilities	\$ 283,599	\$ 174,621	\$ 136,321	\$ 21,886	\$ 419,920	\$ 196,507
Noncurrent liabilities	\$3,483,649	\$3,601,627		\$ -	\$3,483,649	\$3,601,627
<b>Total Liabilities</b>	<b>\$3,767,248</b>	<b>\$3,776,248</b>	<b>\$ 136,321</b>	<b>\$ 21,886</b>	<b>\$3,903,569</b>	<b>\$3,798,134</b>
Deferred Inflows	\$ 93,805	\$ 163,519		\$ -	\$ 93,805	\$ 163,519
<b>Net Position</b>	<b>\$2,833,496</b>	<b>\$1,149,201</b>	<b>\$227,454</b>	<b>\$ 104,009</b>	<b>\$3,060,905</b>	<b>\$1,253,210</b>
<b>Net position consists of</b>						
Invested in Capital Assets	\$1,743,416	(\$1,789,682)	\$ 162,626	\$ 53,178	\$1,906,042	(\$1,736,504)
Restricted Assets	\$1,188,292	\$3,308,010			\$1,188,292	\$3,308,010
Unrestricted Assets	(\$98,212)	(\$369,127)	\$ 64,828	\$ 50,831	(\$33,384)	(\$318,296)
<b>Net Position</b>	<b>\$2,833,496</b>	<b>\$1,149,201</b>	<b>\$227,454</b>	<b>\$108,768</b>	<b>\$3,060,950</b>	<b>\$1,253,210</b>

**Comparative Schedule of Changes in Net Position  
As of and for the Fiscal Year Ended June 30, 2021 and 2020**

	Governmental Activities		Business-Type Activities		District-Wide	
	2021	2020	2021	2020	2021	2020
<b>Revenues:</b>						
Charges for services	\$ 39,634	\$ -	\$ 78,783	\$ 74,441	\$ 118,417	\$ 74,441
Operating grants and contributions	4,234,246	2,419,565	299,912	73,132	4,534,158	2,492,697
Property taxes	5,529,893	5,192,649			5,529,893	5,192,649
State aid - unrestricted	2,741,621	2,523,835			2,741,621	2,523,835
Other revenues	89,435	115,339	182	-	89,617	115,339
<b>Total Revenues</b>	<b>12,634,829</b>	<b>10,251,388</b>	<b>378,877</b>	<b>147,573</b>	<b>13,013,706</b>	<b>10,398,961</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	2,540,473	2,556,675			2,540,473	2,556,675
Tuition	3,663,587	3,668,808			3,663,587	3,668,808
Related services	1,231,832	999,778			1,231,832	999,778
Administrative services	395,527	333,364			395,527	333,364
Operations and Maintenance	557,620	2,210,431			557,620	2,210,431
Transportation	75,418	250,232			75,418	250,232
Employee benefits	2,352,312	1,905,559			2,352,312	1,905,559
Other and charter	170,124	12,780			170,124	12,780
Loss (Gain) on disposal of capital assets			19,863		19,863	-
<b>Business-Type Activities:</b>						
Food Service			235,569	152,332	235,569	152,332
<b>Total Expenses</b>	<b>10,986,893</b>	<b>11,937,627</b>	<b>255,432</b>	<b>152,332</b>	<b>11,242,325</b>	<b>12,089,959</b>
Increase (Decrease) in Net Position before transfers	1,647,936	(1,686,239)	123,445	(4,759)	1,771,381	(1,690,998)
Transfers		-				
<b>Change in Net Position</b>	<b>1,647,936</b>	<b>(1,686,239)</b>	<b>123,445</b>	<b>(4,759)</b>	<b>1,771,381</b>	<b>(1,690,998)</b>
Net Position, July 1	1,149,201	2,835,440	104,009	108,768	1,253,210	2,944,208
Prior Period Adjustment	36,359				36,359	
Net Position, July 1 Restated	1,185,560		104,009		1,289,569	
<b>Net Position, June 30</b>	<b>\$ 2,833,496</b>	<b>\$ 1,149,201</b>	<b>\$ 227,454</b>	<b>\$ 104,009</b>	<b>\$ 3,060,950</b>	<b>\$ 1,253,210</b>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$1,647,936 during the current fiscal year. Key elements of the decrease in net position for governmental activities are as follows:

- Results of operations in the general fund
- Prior period adjustment

**Business-type Activities**

Business-type activities increased the School District's net position by \$123,445. Key elements of the increase in net position for Business Type activities are as follows:

- Results of operation of the food service program.

## **Financial Analysis of the Governmental Funds**

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds* - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$1,469,288, a decrease of \$1,933,666 in comparison with the prior year. This decrease is due to an increase in capital outlays.

The unassigned fund balance for the School District at the end of the fiscal year is \$201,432. The remainder of the fund balance is designated to indicate that it is not available for new spending because it has already been committed: 1) \$30,475 reserved for encumbrances, 2) \$59,806 appropriated as a revenue source in the subsequent year's budget, 3) \$302,918 Maintenance reserve 4) \$363,880 reserved for future budget appropriation in accordance with State statute 5) \$417,536 capital reserve, 6) reserve for capital projects \$51,196, 7) \$12,816 reserved for debt service, 8) reserve for unemployment compensation \$30,826, 9) reserve for student activities \$9,101, 10) reserve for scholarships \$19, and 11) a deficit fund balance of \$10,717 in the Special Revenue Fund.

The general fund is the chief operating fund of the School District. As discussed earlier, the balance in the undesignated fund balance is due, primarily, to the accounting treatment of the June state aid payments as discussed in the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 4% of its adopted budget as undesignated fund balance.

Revenue is generally recognized at the time that the outlays are identified; therefore no fund balances are normally generated in the special revenue fund.

### **General Fund Budgetary Highlights**

At the end of the current fiscal year, undesignated fund balance (budgetary basis) of the general fund was \$450,292 while total fund balance (budgetary basis) was \$1,655,733. As a measure of the general fund's liquidity, it may be useful to compare both undesignated fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$8,767,984. Undesignated fund balance (budgetary basis) represents 5.18% of expenditures while total fund balance (budgetary basis) represents 19.04% of that same amount.

## Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2021 totaled \$5,206,042 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, and equipment. The net increase in the District's investment in capital assets for the current fiscal year was \$3,542,546 or a 212.96% increase.

Major capital assets events during the current fiscal year included the following:

- Depreciation expense for the current fiscal year was \$173,894
- Capital additions for the current fiscal year was \$3,736,304

### Capital Asset (net of accumulated depreciation) June 30, 2021 and 2020

	Governmental Activities		Business-Type Activities		District-Wide	
	2021	2020	2021	2020	2021	2020
Land	\$ 272,182	\$ 272,182			\$ 272,182	\$ 272,182
Const. in Progress					-	-
Site Improvements	49,165	52,255			49,165	52,255
Building and Building Improvements	4,544,532	1,090,813			4,544,532	1,090,813
Equipment	177,537	195,068	\$ 162,626	\$ 53,178	340,163	248,246
Net Assets	<u>\$ 5,043,416</u>	<u>\$ 1,610,318</u>	<u>\$ 162,626</u>	<u>\$ 53,178</u>	<u>\$ 5,206,042</u>	<u>\$ 1,663,496</u>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

**Long-term debt** – During the fiscal year ended June 30, 2021, the School District had \$3,300,000 in serial bonds payable, \$96,492 in compensated absences payable and \$222,157 in net pension liability.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

## Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2021-2022 fiscal year.

- For the 2021-22 fiscal year the School District will be receiving a net increase in state aid of \$227,301. The local tax levy in the General Fund increased \$80,826 over the previous year, resulting in a 1.50 percent increase. The 2021-22 General Fund Budget is \$202,028 more than the previous year or a 2.36% increase. The tax rate for 2021 increased to \$2.217 from \$2.190 in 2020.

## **Requests for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Collingswood School District Business Administrator, 200 Lees Avenue, Collingswood, New Jersey, 08108, telephone number (856) 962-5720.

## Basic Financial Statements



District-Wide Financial Statements

**OAKLYN SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2021**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 533,053	\$ 156,374	\$ 689,427
Accounts Receivables, net	330,206	34,532	364,738
Inventory		10,243	10,243
Restricted assets:			
Cash and cash equivalents	720,454		720,454
Capital assets, net	5,043,416	162,626	5,206,042
<b>Total Assets</b>	<b>6,627,129</b>	<b>363,775</b>	<b>6,990,904</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	67,420	-	67,420
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>6,694,549</b>	<b>363,775</b>	<b>7,058,324</b>
<b>LIABILITIES:</b>			
Accounts payable:			
Other	117,991	121,807	239,798
Related to pensions	16,143		16,143
Internal Balances	(13,355)	13,355	
Accrued Liabilities:			
Interest payable	18,031		18,031
Unearned revenue	9,789	1,159	10,948
Noncurrent liabilities:			
Due within one year	135,000		135,000
Due beyond one year	3,483,649		3,483,649
<b>Total Liabilities</b>	<b>3,767,248</b>	<b>136,321</b>	<b>3,903,569</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflows of resources from pensions	93,805	-	93,805
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>3,861,053</b>	<b>136,321</b>	<b>3,997,374</b>
<b>NET POSITION:</b>			
Net investment in capital assets	1,743,416	162,626	1,906,042
Restricted for:			
Capital projects	468,732		468,732
Maintenance	302,918		302,918
Excess Surplus	363,880		363,880
Unemployment Compensation	30,826		30,826
Debt Service	12,816		12,816
Student Activities	9,101		9,101
Scholarships	19		19
Unrestricted (Deficit)	(98,212)	64,828	(33,384)
<b>Total Net Position</b>	<b>\$ 2,833,496</b>	<b>\$ 227,454</b>	<b>\$ 3,060,950</b>

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

**OAKLYN SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 1,905,838	\$ 39,634	\$ 586,828	\$ -	\$ (1,279,376)	\$ -	\$ (1,279,376)
Special Education	427,006		119,804		(307,202)		(307,202)
Other instruction	207,629				(207,629)		(207,629)
Support Services:							
Tuition	3,663,587				(3,663,587)		(3,663,587)
Student & instruction related services	1,231,832		292,627		(939,205)		(939,205)
General administrative services	126,053				(126,053)		(126,053)
School administrative services	159,404				(159,404)		(159,404)
Central administrative services	110,070				(110,070)		(110,070)
Plant operations and maintenance	557,620			1,383,367	825,747		825,747
Pupil transportation	75,418				(75,418)		(75,418)
Unallocated employee benefits	2,352,312		1,851,620		(500,692)		(500,692)
Transfer of funds to Charter Schools	34,437				(34,437)		(34,437)
Interest on long-term debt	132,392				(132,392)		(132,392)
Unallocated depreciation and amortization	3,295				(3,295)		(3,295)
Total Governmental Activities	<u>10,986,893</u>	<u>39,634</u>	<u>2,850,879</u>	<u>1,383,367</u>	<u>(6,713,013)</u>	<u>-</u>	<u>(6,713,013)</u>
Business-Type Activities:							
Food service	235,569	78,783	299,912	-	-	143,126	143,126
Total Business-Type Activities	<u>235,569</u>	<u>78,783</u>	<u>299,912</u>	<u>-</u>	<u>-</u>	<u>143,126</u>	<u>143,126</u>
Total Primary Government	<u>\$ 11,222,462</u>	<u>\$ 118,417</u>	<u>\$ 3,150,791</u>	<u>\$ 1,383,367</u>	<u>(6,713,013)</u>	<u>143,126</u>	<u>(6,569,887)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					5,388,414		5,388,414
Taxes levied for debt service					141,479		141,479
Federal and State aid unrestricted					2,741,621		2,741,621
Investment and Interest earnings - restricted					3,783		3,783
Miscellaneous					85,652	182	85,834
Special Items:							
Loss on Disposal of assets						(19,863)	(19,863)
Total general revenues, special items, extraordinary items and transfers					<u>8,360,949</u>	<u>(19,681)</u>	<u>8,341,268</u>
Change in Net Position					1,647,936	123,445	1,771,381
Net Position - July 1,					1,149,201	104,009	1,253,210
Prior Period Adjustments					36,359		36,359
Net Position - July 1, Restated					<u>1,185,560</u>	<u>104,009</u>	<u>1,289,569</u>
Net Position - June 30					<u>\$ 2,833,496</u>	<u>\$ 227,454</u>	<u>\$ 3,060,950</u>

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

Fund Financial Statements

**OAKLYN SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2021**

<b>ASSETS</b>	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 1,180,374	\$ 9,121	\$ 64,012	\$ -	\$ 1,253,507
Interfund Accounts Receivable					
General Fund					
Special Revenue Fund	76,943				76,943
Capital Projects Fund				12,816	12,816
Enterprise Fund	13,355				13,355
Internal Service Fund	14,805				14,805
Intergovernmental Accounts Receivables:					
State	145,409				145,409
Federal		111,055			111,055
Other	32,505				32,505
Other Accounts Receivable	26,432				26,432
<b>Total Assets</b>	<b>\$ 1,489,823</b>	<b>\$ 120,176</b>	<b>\$ 64,012</b>	<b>\$ 12,816</b>	<b>\$ 1,686,827</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Interfund Accounts Payable					
General Fund		76,943			76,943
Capital Projects Fund			12,816		12,816
Accounts Payable:					
Payroll Deductions and Withholdings Payable	23,297				23,297
Other	55,953	38,741			94,694
Unearned Revenue	3,700	6,089			9,789
<b>Total Liabilities</b>	<b>82,950</b>	<b>121,773</b>	<b>12,816</b>		<b>217,539</b>
Fund Balances:					
Restricted:					
Capital Reserve	417,536				417,536
Maintenance Reserve	302,918				302,918
Excess Surplus	363,880				363,880
Capital Projects			51,196		51,196
Debt Service				12,816	12,816
Unemployment Compensation	30,826				30,826
Student Activities		9,101			9,101
Scholarships		19			19
Assigned to:					
Other Purposes	30,475				30,475
Designated for Subsequent Year's Expenditures	59,806				59,806
Unassigned	201,432	(10,717)			190,715
<b>Total Fund Balances</b>	<b>1,406,873</b>	<b>(1,597)</b>	<b>51,196</b>	<b>12,816</b>	<b>1,469,288</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,489,823</b>	<b>\$ 120,176</b>	<b>\$ 64,012</b>	<b>\$ 12,816</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$7,998,976 and the accumulated depreciation is \$2,955,560. 5,043,416

Accounts payable related to the April 1, 2022 required PERS contribution that is not to be liquidated with current financial resources (16,143)

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds. (18,031)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred Outflows of resources from Pensions	\$ 67,420	
Net Pension Liability	(222,157)	
Deferred Inflows of resources from Pensions	(93,805)	(248,542)

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

Serial Bonds	(3,300,000)	
Compensated Absences	(96,492)	(3,396,492)

Net position of governmental activities \$ 2,833,496

**OAKLYN SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2021**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local property tax levy	\$ 5,388,414	\$ -	\$ -	\$ 141,479	\$ 5,529,893
Tuition charges	39,634				39,634
Rents and royalties	39,946				39,946
Maintenance reserve interest	411				411
Capital reserve interest	256				256
Other restricted miscellaneous revenues	3,783				3,783
Unrestricted miscellaneous revenues	43,057		1,982		45,039
Federal sources	26,712	335,502			362,214
State sources	3,502,802	733,545		72,882	4,309,229
Local sources		1,908			1,908
<b>Total Revenues</b>	<b>9,045,015</b>	<b>1,070,955</b>	<b>1,982</b>	<b>214,361</b>	<b>10,332,313</b>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	1,188,912	586,828			1,775,740
Special education instruction	307,202	119,804			427,006
Other instruction	207,629				207,629
Support services and undistributed costs:					
Tuition	3,663,587				3,663,587
Student & instruction related services	939,205	292,627			1,231,832
General administrative services	112,873				112,873
School administrative services	159,404				159,404
Central services	110,070				110,070
Plant operations and maintenance	516,432				516,432
Pupil transportation	75,418				75,418
Employee benefits	1,380,603	142,105			1,522,708
Summer School					-
Capital Outlay	1,760		2,212,722		2,214,482
Transfer of Funds to Charter School	34,437				34,437
Debt service:					
Principal				100,000	100,000
Interest and other charges				114,361	114,361
<b>Total Expenditures</b>	<b>8,697,532</b>	<b>1,141,364</b>	<b>2,212,722</b>	<b>214,361</b>	<b>12,265,979</b>
Excess (Deficiency) of Revenues over (under) Expenditures	347,483	(70,409)	(2,210,740)	-	(1,933,666)
Other Financing Sources (Uses):					
Transfers in		70,452		1,982	72,434
Transfers out	(70,452)		(1,982)		(72,434)
Bond proceeds					
<b>Total other financing sources (uses)</b>	<b>(70,452)</b>	<b>70,452</b>	<b>(1,982)</b>	<b>1,982</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>277,031</b>	<b>43</b>	<b>(2,212,722)</b>	<b>1,982</b>	<b>(1,933,666)</b>
Fund Balances - July 1, Prior Period Adjustments	1,102,799 27,043	(10,956) 9,316	2,263,918	10,834	3,366,595 36,359
<b>Fund Balances - July 1, Restated</b>	<b>1,129,842</b>	<b>(1,640)</b>	<b>2,263,918</b>	<b>10,834</b>	<b>3,402,954</b>
<b>Fund Balances - June 30</b>	<b>\$ 1,406,873</b>	<b>\$ (1,597)</b>	<b>\$ 51,196</b>	<b>\$ 12,816</b>	<b>\$ 1,469,288</b>

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (1,933,666)

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

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

Depreciation expense	\$ (164,751)	
Capital outlays capitalized in accordance with District's policies	<u>3,597,849</u>	3,433,098

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

100,000

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. This amount is the net effect of the difference in the treatment of interest on long-term debt.

(18,031)

Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.

89,545

In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+)

(23,010)

Change in Net Position of Governmental Activities

\$ 1,647,936

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

**OAKLYN SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2021**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service Fund</b>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 156,374
Intergovernmental receivables:	
State	1,656
Federal	32,876
Inventories	10,243
Total current assets	201,149
Noncurrent assets:	
Equipment	272,383
Less - accumulated depreciation	(109,757)
Total noncurrent assets	162,626
Total Assets	363,775
<b>LIABILITIES:</b>	
Current liabilities:	
Accounts payable	121,807
Interfund payable	13,355
Unearned revenue	1,159
Total current liabilities	136,321
<b>NET POSITION:</b>	
Net investment in capital assets	162,626
Unrestricted	64,828
Total Net Position	\$ 227,454

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



**OAKLYN SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2021**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service Fund</b>
<b>Operating Revenues:</b>	
Charges for Services:	
Daily sales:	
Reimbursable programs	\$ -
Other governmental entities	39,294
Non-reimbursable programs	39,489
Total Operating Revenue	78,783
<b>Operating Expenses:</b>	
Salaries	71,695
Employee benefits	8,187
Supplies and materials	7,600
Management Fee	15,500
Repairs and maintenance	32,781
Other costs	14,594
Depreciation	9,143
Cost of sales - reimburseable programs	59,586
Cost of sales - nonreimburseable programs	16,483
Total Operating Expenses	235,569
Operating Income (Loss)	(156,786)
<b>Non-Operating Revenues:</b>	
State sources:	
State school lunch program	8,114
Federal sources:	
National school lunch program	167,577
National school breakfast program	105,788
Food distribution program	18,433
Interest earned	182
Total Non-Operating Revenues	300,094
Change in Net Position Before Other Items	143,308
<b>Other items:</b>	
Loss on disposal of asset	19,863
Change in Net Position	123,445
Net Position - July 1, 2020	104,009
Net Position - June 30, 2021	\$ 227,454

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

**OAKLYN SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2021**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 57,522
Cash payments to employees for services	(66,527)
Cash payments to suppliers for goods and services	(120,949)
Net cash provided by (used for) operating activities	(129,954)
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	6,759
Cash received from federal sources	263,842
Net cash provided by (used for) noncapital financing activities	270,601
<b>Cash Flows Used by Capital and Related Financing Activities:</b>	
Purchase of equipment	(45,538)
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on cash equivalents	182
Net increase (decrease) in cash and cash equivalents	95,291
Cash and cash equivalents - July 1, 2020	61,083
Cash and cash equivalents - June 30, 2021	\$ 156,374
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:</b>	
Operating income (loss)	\$ (156,786)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	9,143
Commodities	18,433
Change in assets and liabilities:	
(Increase) decrease in accounts receivables	(20,530)
(Increase) decrease in inventories	(1,733)
Increase (decrease) in accounts payables	27,586
Increase (decrease) in interfund payables	(5,074)
Increase (decrease) in unearned revenue	(993)
Net cash provided by (used for) operating activities	\$ (129,954)

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

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Oaklyn School District (“School District”) is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades PK through 5. Students in grades 6 through 12 attend the Collingswood High School District on a tuition basis. The Oaklyn School District has an approximate enrollment at June 30, 2021 of 274 students.

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

**Component Units** – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide 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 Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires the blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. 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.

**Basis of Presentation**

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

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

**Government-wide Statements** - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Government-wide Statements (Continued)** - The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements** - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's 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 non-instructional equipment classified in the capital outlay sub-fund.

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

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

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

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

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary Funds** - Proprietary funds are used to account for the School District’s ongoing activities, which are similar to those in the private sector.

**Enterprise Funds** – The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District’s enterprise funds are:

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

All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

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

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: trust funds and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has three fiduciary funds: an unemployment compensation trust fund, a payroll fund and student activities.

**Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

**Fund Financial Statements** – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Financial Statements (Continued)** – The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: tuition, grants, fees, and rentals.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**Budgets/Budgetary Control** - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Budgets/Budgetary Control (Continued)** - Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at 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 one or more June state aid payments.

**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. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant 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, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash, Cash Equivalents and Investments (Continued)** - 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.

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

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

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements.

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

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

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

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

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 period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Short-Term Interfund Receivables / Payables** - Short-term 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. 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.

**Capital Assets** - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.



**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Assets (Continued)** - Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 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 absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

**Unearned Revenue** - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and are recorded as a liability until the revenue is both measurable 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 on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full, from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

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

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

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

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

It is the School District’s policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

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

**Nonspendable** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2021.

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

**Committed** – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

**Assigned** – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

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

**Operating and Non-Operating Revenues and Expenses** - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

**Interfunds** – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Recently Issued Accounting Pronouncements** – In June 2017, the GASB issued Statement 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is currently evaluating the impact of the adoption of this Statement on the District's financial statements.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. This Statement should have no impact on the District's financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. This Statement should have no impact on the District's financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is currently evaluating the impact of the adoption of this Statement on the District's financial statements.

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$1,516,635 as of June 30, 2021, \$250,000 was insured under FDIC and the remaining balance of \$1,266,635 was collateralized under GUDPA.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**3. CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the 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:

Balance – July 1, 2020		\$ 157,280
Increased by:		
Interest earned	\$ 256	
Original budget 2020/2021	-	
Unspent budget appropriation	-	
Board resolution	<u>260,000</u>	<u>260,256</u>
		417,536
Decreased by:		
Budget withdrawal		<u>-</u>
Balance – June 30, 2021		<u>\$ 417,536</u>

The June 30, 2021 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were utilized to fund facilities projects approved by the New Jersey Department of Education, consistent with the School District’s LRFP.

**4. ACCOUNTS RECEIVABLES**

Accounts receivables at June 30, 2021 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2021 for the School District’s individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Intergovernmental				
State	\$ 145,409	\$ -	\$ 1,656	\$ 147,065
Federal	-	111,055	32,876	143,931
Other	<u>58,937</u>		<u>-</u>	<u>58,937</u>
Total	<u>\$ 204,346</u>	<u>\$ 111,055</u>	<u>\$ 34,532</u>	<u>\$ 349,933</u>

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**5. CAPITAL ASSETS**

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

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
<b>Governmental Activities:</b>				
Land	\$ 272,182	\$ -	\$ -	\$ 272,182
Construction in Progress	-	-	-	-
Total Capital Assets not being				
Depreciation	272,182	-	-	272,182
Land Improvements	173,450	-	-	173,450
Building and Improvements	2,958,229	3,593,269	-	6,551,498
Equipment	997,266	4,580	-	1,001,846
Total Historical Cost	<u>4,401,127</u>	<u>3,597,849</u>	<u>-</u>	<u>7,998,976</u>
Less Accumulated Depreciation:				
Land Improvements	121,195	3,090	-	124,285
Building and Improvements	1,867,416	139,550	-	2,006,966
Equipment	802,198	22,111	-	824,309
Total Accumulated Depreciation	<u>2,790,809</u>	<u>164,751</u>	<u>-</u>	<u>2,955,560</u>
Governmental Activities Capital				
Assets, Net	<u>\$ 1,610,318</u>	<u>\$ 3,433,098</u>	<u>\$ -</u>	<u>\$ 5,043,416</u>
<b>Business-Type Activities:</b>				
Building and Improvements	\$ -	\$ 39,847	\$ -	\$ 39,847
Equipment	154,976	98,608	21,048	232,536
Less - Accumulated Depreciation	<u>101,798</u>	<u>9,143</u>	<u>(1,184)</u>	<u>109,757</u>
Business-Type Activities Capital				
Assets, Net	<u>\$ 53,178</u>	<u>\$ 129,312</u>	<u>\$ 22,232</u>	<u>\$ 162,626</u>

Depreciation expense in the amount of \$164,751 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Instruction	\$ 107,088
Administration	13,180
Plant operations & maintenance	41,188
Unallocated	<u>3,295</u>
Total depreciation expense	<u>\$ 164,751</u>

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**6. INVENTORY**

Inventory in the Food Service Fund at June 30, 2021 consisted of the following:

Food	\$	4,297
Supplies		5,946
		\$ 10,243

**7. LONG-TERM OBLIGATIONS**

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

	<u>Principal Outstanding June 30, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2021</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Serial Bonds Payable	\$ 3,400,000	\$ -	\$ 100,000	\$ 3,300,000	\$ 135,000
Compensated Absences	73,482	30,992	7,982	96,492	
Net Pension Liability	235,145		12,988	222,157	
	\$ 3,708,627	\$ 30,992	\$ 120,970	\$ 3,618,649	\$ 135,000

**Bonds Payable** - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the School District are as follows:

Serial Bonds dated November 26, 2019, in the amount of \$3,300,000 due in annual installments through September 15, 2040, bearing interest rates of 2.00% to 3.00%.

**Bonds and Notes Authorized but not Issued**

As of June 30, 2021, the School District had no authorizations to issue additional bonded debt.

**Compensated Absences**

Compensated absences will be paid from the fund from which the employees' salaries are paid.

**8. OPERATING LEASES**

At June 30, 2021, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$9,551 for the fiscal year ended June 30, 2021. The future minimum lease payments for these leases are as follows:

<u>Ending June 30,</u>	<u>Amount</u>
2022	\$ 17,004
2023	17,004
2024	17,003
2025	6,327
	\$ 57,338

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS**

**Description of Plans** – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

**Teachers' Pension and Annuity Fund (TPAF)**

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

*Vesting and Benefit Provisions* – 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 medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 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 1/55<sup>th</sup> 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 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, 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 their respective tier.

*Contributions* - The contribution requirements of plan members are determined 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 member contribution rate was 7.50% in State fiscal year 2021. 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.

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

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2021 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2020 was \$435,135 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2021 were \$155,596.

*Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to 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 fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

For the year ended June 30, 2021, the School District recognized pension expense of \$786,297 and revenue of \$786,297 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/20</u>	<u>06/30/19</u>
Collective deferred outflows of resources	\$ 9,458,881,999	\$ 9,932,767,606
Collective deferred inflows of resources	14,424,322,612	17,539,845,423
Collective net pension liability (Non-Employer – State of New Jersey)	65,993,498,688	61,519,112,443
State's portion of the net pension liability that was associated with the School District	12,644,633	14,506,441
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.0192025269%	.0236373109%

*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%
	based on years of service
Thereafter	2.75 – 5.65%
	based on years of service
Investment Rate of Return:	7.00%



**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

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

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US 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 State's total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. 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.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

*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. As such, the proportionate share of the net pension liability as of June 30, 2020, the pension plans measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 5.40%, 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 (4.40%) or 1 percentage point higher (6.40%) that the current rate:

	<b>1% Decrease (4.40%)</b>	<b>Current Discount Rate (5.40%)</b>	<b>1% Increase (6.40%)</b>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	14,852,602	12,644,633	10,811,285
	\$ 14,852,602	\$ 12,644,633	\$ 10,811,285

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Public Employees' Retirement System (PERS)**

*Plan Description* - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

*Vesting and Benefit Provisions* – 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 medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

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

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. The School District's 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.

Based on the most recent PERS measurement date of June 30, 2020, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2021 was \$16,143 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2021 were \$7,819.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<b>Fiscal Year</b>	<b>Normal Contributions</b>	<b>Accrued Liability</b>	<b>Non Contributory Life</b>	<b>Total Liability Paid by District</b>
2021	\$ 1,701	\$ 12,482	\$ 720	\$ 14,903
2020	1,175	10,870	649	12,694
2019	1,593	10,572	579	12,744

*Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to 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 fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At June 30, 2021, the School District reported a liability of \$222,157 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

For the year ended June 30, 2021, the School District recognized pension expense of (\$59,738). At June 30, 2021, the School District reported a liability of \$222,157 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,045	\$ 786
Changes of assumptions	7,207	93,019
Net Difference between projected and actual earnings on pension plan investments	7,594	-
Changes in proportion	32,431	-
District contributions subsequent to the measurement date	16,143	
<b>Total</b>	<b>\$ 67,420</b>	<b>\$ 93,805</b>

\$16,143 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2021) will be recognized as a reduction of the net liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2022	\$ (23,300)
2023	(10,761)
2024	(11,514)
2025	2,596
2026	451
<b>Total</b>	<b>\$ (42,528)</b>

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

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 Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.16	-
June 30, 2020	5.16	
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2015	5.00	5.00
June 30, 2016	5.00	5.00
June 30, 2017	5.00	5.00
June 30, 2018	5.00	5.00
June 30, 2019	5.00	5.00
June 30, 2020	5.00	5.00

**Additional Information**

Collective balances at June 30, 2020 and 2019 are as follows:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective deferred outflows of resources	\$ 2,590,600,991	\$ 3,149,522,616
Collective deferred inflows of resources	\$ 12,009,239,423	\$ 7,645,087,574
Collective net pension liability	\$ 16,435,616,426	\$ 18,143,832,135
School District's Proportion	.0013623114%	.0013050200%

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (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	2.00 – 6.00% based on years of service
Thereafter	3.00 – 7.00% based on years of service
Investment Rate of Return	7.00%

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

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (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:

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

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

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

*Sensitivity of the 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 measured 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 (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
School District's proportionate share of the net pension liability	\$ 279,659	\$ 222,157	\$ 173,365

*Pension Plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Defined Contribution Retirement Program (DCRP)**

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan, which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<b>Fiscal Year</b>	<b>Total Liability</b>	<b>Paid by School District</b>
2021	\$ -	\$ -
2020	1,918	1,918
2019	1,086	1,086

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**Plan Description and Benefits Provided**

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

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

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

**Contributions**

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the “State”) in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32F, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teacher’s Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen Retirement System (PFRS). 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.

**Plan Membership**

As of June 30, 2019, the program membership consisted of the following:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	149,304
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
	366,108

**Total Non-Employer OPEB Liability**

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

*Actuarial assumptions and other imputes* - The total nonemployer OPEB liability as of the June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member enrolled in.



**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

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 – 4.45% based on service years	2.00 – 6.00% based on service years	3.25 – 15.25% based on service years
Thereafter	1.55 – 4.45% based on service years	3.00 - 7.00% based on service years	Applied to all future years

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

*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 eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate 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 eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

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

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**Changes in the Total Nonemployer OPEB Liability**

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

	Total OPEB Liability
Balance as of June 30, 2019	\$ 11,915,232
Changes for the years'	
Service Cost	315,197
Interest	422,786
Changes of benefit terms	
Differences between expected and actual experience	2,384,098
Changes in assumptions	3,292,674
Gross Benefit Payments	(313,812)
Contributions from the Non-employer	N/A
Contributions from the Member	9,512
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ 6,110,455
Balance at 06/30/2020	\$ 18,025,687

**Sensitivity of the total nonemployer OPEB liability to changes in the discount rate** - The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, associated with the School District, 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:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 21,730,896	\$ 18,025,687	\$ 15,128,570

**Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate** - The following presents the total nonemployer OPEB liability as of June 30, 2020, associated with the School District, 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:

	1% Decrease	Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 14,550,942	\$ 18,025,687	\$ 22,163,336

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

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

For the fiscal year ended June 30, 2021, the School District recognized \$192,590 in OPEB expense and revenue, in the government-wide financial statements, for the State’s proportionate share of the OPEB Plan’s OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan’s June 30, 2020 measurement date.

In accordance with GASBS No. 75, the School District’s proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2021, the State’s proportionate share of the total nonemployer OPEB liability’s deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ -	\$ (3,926,027)
Differences between expected and actual experience	2,736,769	(2,437,816)
Changes of assumptions	3,066,110	(2,056,833)
<b>Total</b>	<b>\$ 5,802,879</b>	<b>\$ (8,420,676)</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State’s proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2021	\$ (23,107)
2022	(23,107)
2023	(23,107)
2024	(23,107)
2025	(23,107)
Thereafter	(2,502,262)
<b>Total</b>	<b>\$ (2,617,797)</b>

Detailed information about the pension plan’s sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2021, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$486,581, \$152,487, and \$208, respectively. In addition, \$151,090 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

**Oaklyn School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021**

**12. RISK MANAGEMENT**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

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

**Joint Insurance Pool** - The School District is a member of the New Jersey Burlington County Joint Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Annual Comprehensive Financial Report.

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

A complete schedule of insurance coverage can be found in the "Statistical Section" of this report.

**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 the School District's unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021	\$ -	\$ 3,784	\$ -	\$ -	\$ 30,827
2020	-	3,924	-	-	27,043
2019	-	3,277	-	-	23,119

**13. DEFERRED COMPENSATION**

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

**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 amounts of vacation and sick leave in accordance with the School District's personnel policy. Upon termination, employees are paid for accrued vacation. The School District's policy permits employees to accumulated 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 the School District's agreements with the various employee unions.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**14. COMPENSATED ABSENCES (Continued)**

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2021, the liability for compensated absences in the governmental activities fund was \$96,492.

**15. INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2022. The following interfund balances were recorded on the various balance sheets as of June 30, 2021:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 105,103	\$ -
Special Revenue		76,943
Capital Projects		12,816
Debt Service	12,816	
Internal Service		14,805
Enterprise		13,355
	\$ 117,919	\$ 117,919

**16. CONTINGENCIES**

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2021, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**17. TAX ABATEMENTS**

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

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.

As of December 31, 2020, the Borough of Oaklyn had no tax abatements.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**18. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$10,717 in the Special Revenue Fund as of June 30, 2021 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$10,717 in the Special Revenue Fund is equal to or less than the June state aid payment.

**19. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2021, a deficit of \$98,212 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 is as follows:

Balances, June 30, 2021:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Unassigned	\$ 190,715
Assigned	90,281
Liabilities:	
Accrued Interest	(18,031)
Net Pension Differences	(264,685)
Compensated Absences	(96,492)
Unrestricted Net Position (Deficit)	\$ (98,212)

**20. FUND BALANCES**

*RESTRICTED*

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Specific restrictions of the School District’s fund balance are summarized as follows:

**General Fund:**

**Excess Surplus** – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$142,623 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$221,257 of excess fund balance generated during the 2019-2020 fiscal year has been restricted and designated for utilization in the 2021-2022 budget.

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**20. FUND BALANCES (CONTINUED)**

**Capital Reserve Account** – As of June 30, 2021, the balance in the capital reserve account is \$417,536. The balance is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan. Additionally, \$72,062 of excess fund balance generated during the 2020-2021 fiscal year has been restricted and designated for utilization in the 2021-2022 budget.

**Maintenance Reserve Account** – As of June 30, 2021, the balance in the maintenance reserve account is \$302,918. The balance of the funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**Unemployment Compensation** – As of June 30, 2021, the balance in the unemployment compensation reserve account is \$30,826.

**Special Revenue Fund:**

**Student Activities** – As of June 30, 2021, the balance in the student activities account is \$9,101.

**Scholarships** – As of June 30, 2021, the balance in the scholarship account is \$19.

**Capital Project Fund** – As of June 30, 2021, the balance in the capital projects account is \$51,196

**Debt Service Fund** – As of June 30, 2021, the balance in the debt service account is \$12,816.

*ASSIGNED*

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

**General Fund:**

**Designated for Subsequent Year’s Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2022, \$59,806 of general fund balance at June 30, 2021.

**Other Purposes** – At June 30, 2021 the School District has \$30,475 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

*UNASSIGNED*

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

**General Fund** – As of June 30, 2021, the unassigned fund balance of the general fund was \$201,432.

**Special Revenue Fund** – As of June 30, 2021, there was a deficit of \$10,717. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

**Oaklyn School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2021**

**21. PRIOR PERIOD ADJUSTMENT**

GASB Statement No. 84, *Fiduciary Activities*, was implemented during the fiscal year ended June 30, 2021. As part of this implementation, the activity for the Unemployment Compensation Insurance Trust Fund which had previously been reported in the Fiduciary Funds is now reported in the General Fund. The Student Activities Fund is now reported in the Special Revenue Fund. The ending balances as of June 30, 2020, were restated due to this implementation as follows:

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 as Restated
<u>Statement of Net Activities - Governmental Activities:</u>			
Net Position - Ending	\$ 1,149,201	\$ 36,359	\$ 1,185,560
<u>Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	1,102,799	27,043	1,129,842
Special Revenue Fund:			
Fund Balance - June 30	(10,956)	9,316	(1,640)
<u>Statement of Fiduciary Net Position - Fiduciary Funds:</u>			
Unemployment Compensation Trust:			
Net Position - End of the Year	27,043	(27,043)	-
Student Activities Trust Fund:			
Net Position - End of the Year	9,316	(9,316)	

**22. SUBSEQUENT EVENTS**

COVID-19 - The management of the School District has evaluated its financial statements for subsequent events through the date that the financial statements were issued. The COVID-19 pandemic in New Jersey is ongoing. While the impact that COVID-19 will have on the School District is uncertain, there has been no material impact to the financial statements at this time.



Required Supplementary Information - Part II

Budgetary Comparison Schedules

**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local Tax Levy	\$ 5,388,414	\$ -	\$ 5,388,414	\$ 5,388,414	\$ -
Tuition - from other LEA's within State	-	-	-	39,634	39,634
Rent and Royalties	39,346	-	39,346	39,946	600
Maintenance Reserve interest	400	-	400	411	11
Capital Reserve interest	75	-	75	256	181
Other Unrestricted misc. revenues	-	-	-	3,783	3,783
Unrestricted misc. revenues	4,493	-	4,493	43,057	38,564
<b>Total local sources</b>	<b>5,432,728</b>	<b>-</b>	<b>5,432,728</b>	<b>5,515,501</b>	<b>82,773</b>
State sources:					
School Choice Aid	61,416	864	62,280	62,280	-
Categorical special education aid	275,669	-	275,669	275,669	-
Equalization aid	2,237,358	(73,938)	2,163,420	2,163,420	-
Categorical security aid	48,228	-	48,228	48,228	-
Categorical transportation aid	16,236	-	16,236	16,236	-
Extraordinary Aid	-	-	-	131,187	131,187
Homeless Aid	-	-	-	13,055	13,055
On-behalf TPAF pension contrib. (non-budgeted)	-	-	-	486,581	486,581
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	152,487	152,487
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	208	208
Reimbursed TPAF social security contribution (non-budgeted)	-	-	-	151,090	151,090
<b>Total state sources</b>	<b>2,638,907</b>	<b>(73,074)</b>	<b>2,565,833</b>	<b>3,500,441</b>	<b>934,608</b>
Federal Sources:					
Medicaid Reimbursement	11,770	-	11,770	26,712	14,942
<b>Total federal sources</b>	<b>11,770</b>	<b>-</b>	<b>11,770</b>	<b>26,712</b>	<b>14,942</b>
<b>TOTAL REVENUES</b>	<b>8,083,405</b>	<b>(73,074)</b>	<b>8,010,331</b>	<b>9,042,654</b>	<b>1,032,323</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	2,500	-	2,500	-	2,500
Kindergarten	121,160	6,073	127,233	121,836	5,397
Grades 1-5	862,946	13,694	876,640	869,338	7,302
Regular Programs - Home Instruction:					
Salaries of teachers					
	2,000	-	2,000	-	2,000
Purchased professional - educational services					
	2,000	-	2,000	-	2,000
Regular Programs - Undistributed Instruction:					
Used Vacation Payment to Term/Ret Staff					
	-	-	-	-	-
Purchased professional - educational services					
	61,538	-	61,538	61,453	85
Purchased technical services					
	43,100	3,700	46,800	46,305	495
Other purchased services					
	40,537	(2,500)	38,037	18,072	19,965
General supplies					
	171,107	(56,147)	114,960	67,955	47,005
Textbooks					
	18,100	(13,200)	4,900	3,788	1,112
Other objects					
	165	-	165	165	-
<b>Total - regular programs - instruction</b>	<b>1,325,153</b>	<b>(48,380)</b>	<b>1,276,773</b>	<b>1,188,912</b>	<b>87,861</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education Instruction:					
Multiple Disabilities:					
Salaries of teachers	\$ 68,902	\$ -	\$ 68,902	\$ 60,126	\$ 8,776
General supplies	10,600	-	10,600	1,258	9,342
Total multiple disabilities	79,502	-	79,502	61,384	18,118
Resource room/resource center:					
Salaries of teachers	233,023	-	233,023	211,086	21,937
Purchased professional - educational services	35,000	-	35,000	30,914	4,086
General supplies	4,400	-	4,400	2,570	1,830
Total resource room/resource center	272,423	-	272,423	244,570	27,853
Preschool Disabilities - Part Time					
Salaries of teachers	2,500	-	2,500	-	2,500
Purchased professional - educational services	4,919	-	4,919	-	4,919
General supplies	5,500	-	5,500	1,248	4,252
Total preschool disabilities - part time	12,919	-	12,919	1,248	11,671
Home Instruction:					
Salaries of teachers	-	-	-	-	-
Purchased professional - educational services	-	-	-	-	-
Total home instruction	-	-	-	-	-
Total special education - instruction	364,844	-	364,844	307,202	57,642
Basic Skills/Remedial - Instruction					
Salaries of teachers	113,243	1,119	114,362	113,301	1,061
Purchased professional - educational services	2,500	-	2,500	2,500	-
Other purchased services	-	200	200	-	200
General supplies	200	(200)	-	-	-
Total basic skills/remedial - instruction	115,943	1,119	117,062	115,801	1,261
Bilingual Education - Instruction					
Salaries of teachers	68,975	9,568	78,543	78,543	-
General supplies	100	-	100	-	100
Total bilingual education - instruction	69,075	9,568	78,643	78,543	100
School-Sponsored Co/Extra-Curr. Act - Instruction:					
Salaries	11,210	113	11,323	11,323	-
Supplies and materials	-	-	-	-	-
Other objects	250	(113)	137	-	137
Total school-sponsored cocurr. act. - instruct.	11,460	-	11,460	11,323	137

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Athletics - Instruction:					
Purchased services	\$ -	\$ -	\$ -	\$ -	\$ -
Total school-sponsored athletics - instruct.	-	-	-	-	-
Summer School - Instruction:					
Salaries of teachers	2,100	-	2,100	1,728	372
Purchased professional - technical services	1,000	-	1,000		1,000
General supplies	150	-	150		150
Total summer school - instruction	3,250	-	3,250	1,728	1,522
Summer School - Support Services:					
Salaries	1,800	-	1,800	234	1,566
Total summer school - instruction	1,800	-	1,800	234	1,566
Total summer school	5,050	-	5,050	1,962	3,088
Community serv. Programs/operations					
Salaries	700	-	700		700
Total Instruction	1,892,225	(37,693)	1,854,532	1,703,743	150,789
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - reg.	3,121,760	-	3,121,760	3,121,760	-
Tuition to other LEAs within the state - spec	314,207	(26,302)	287,905	287,878	27
Tuition to County Voc. School Dist. - reg.	2,217	15,800	18,017	17,949	68
Tuition to CSSD & Reg. Day schools	-	39,502	39,502	39,502	-
Tuition to priv. sch. for the disabled w/in state	213,561	(11,595)	201,966	196,498	5,468
Tuition - state facilities	-	-			-
Tuition - other	-	-			-
Total undistributed expenditures - instruction	3,651,745	17,405	3,669,150	3,663,587	5,563
Attendance and social work:					
Salaries	25,455	808	26,263	26,263	-
Total attendance and social work	25,455	808	26,263	26,263	-
Health Services:					
Salaries	52,591	2,258	54,849	52,814	2,035
Purchased professional and technical services	6,800	-	6,800	3,189	3,611
Supplies and materials	2,230	-	2,230	803	1,427
Total health services	61,621	2,258	63,879	56,806	7,073

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Speech, OT, PT & Related Services					
Purchased professional - educational services	\$ 117,200	\$ (32,483)	\$ 84,717	\$ 38,535	\$ 46,182
Supplies and materials	8,650	(103)	8,547	4,896	3,651
Total speech, ot, pt & related services	125,850	(32,586)	93,264	43,431	49,833
Other Support Services Students - Extra. Serv.					
Purchased professional - educational services	360,173	103	360,276	356,532	3,744
Total other support services students - extra. serv.	360,173	103	360,276	356,532	3,744
Guidance:					
Salaries of other professional staff	-	-	-	-	-
Purchased professional - educational services	-	-	-	-	-
Supplies and materials	1,600	-	1,600	146	1,454
Other objects	-	-	-	-	-
Total guidance	1,600	-	1,600	146	1,454
Child Study Teams:					
Salaries of other professional staff	800	77	877	877	-
Salaries of secreterial & clerical assistants	25,054	809	25,863	25,863	-
Purchased professional - educational services	269,839	-	269,839	257,839	12,000
Other purchased prof. and tech. services	27,000	-	27,000	1,775	25,225
Miscellaneous purchased services (400-500 series)	5,000	-	5,000	3,725	1,275
Supplies and materials	5,150	(77)	5,073	3,361	1,712
Total child study teams	332,843	809	333,652	293,440	40,212
Improvement of Instructional Services:					
Salaries of other professional staff	5,628	-	5,628	4,010	1,618
Purchased professional - educational services	61,843	-	61,843	57,843	4,000
Other purchased services	4,400	-	4,400	2,230	2,170
Supplies and materials	-	-	-	-	-
Total improvement of instructional services	71,871	-	71,871	64,083	7,788
Educational Media Services/School Library:					
Salaries	-	-	-	-	-
Purchased professional & technical services	97,854	-	97,854	97,854	-
Other purchased services	180	-	180	-	180
Supplies and Materials	8,600	-	8,600	650	7,950
Other objects	65	-	65	-	65
Total educational media services/school library	106,699	-	106,699	98,504	8,195
Instructional Staff Training Services:					
Purchased professional - educational services	-	-	-	-	-
Supplies and materials	500	-	500	-	500
Total instructional staff training services	500	-	500	-	500

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Support Services - General Administration:</b>					
Legal services	\$ 25,000	\$ (230)	\$ 24,770	\$ 5,478	\$ 19,292
Audit fees	23,970	230	24,200	24,200	-
Other purchased professional services	54,039	-	54,039	48,064	5,975
Purchased technical services	3,400	-	3,400	-	3,400
Communications / telephone	7,650	-	7,650	5,536	2,114
Misc. purchased services	22,419	-	22,419	19,602	2,817
General Supplies	360	5,200	5,560	5,200	360
Miscellaneous expenditures	400	-	400	263	137
BOE membership dues and fees	5,500	-	5,500	4,530	970
<b>Total support services - general administration</b>	<b>142,738</b>	<b>5,200</b>	<b>147,938</b>	<b>112,873</b>	<b>35,065</b>
<b>Support Services - School Administration:</b>					
Salaries of principals/assist. principal	105,060	(268)	104,792	104,700	92
Salaries of secretarial and clerical assistants	50,709	1,618	52,327	52,126	201
Other purchased services	2,300	-	2,300	-	2,300
Supplies and materials	3,300	-	3,300	1,498	1,802
Other objects	1,400	-	1,400	1,080	320
<b>Total support services - school administration</b>	<b>162,769</b>	<b>1,350</b>	<b>164,119</b>	<b>159,404</b>	<b>4,715</b>
<b>Central Services:</b>					
Purchased professional services	94,892	-	94,892	94,892	-
Purchased technical services	17,150	-	17,150	14,824	2,326
Supplies and materials	1,400	-	1,400	354	1,046
Miscellaneous expenditures	150	-	150	-	150
<b>Total central services</b>	<b>113,592</b>	<b>-</b>	<b>113,592</b>	<b>110,070</b>	<b>3,522</b>
<b>Required Maintenance for School Facilities:</b>					
Cleaning, repair and maintenance services	74,275	30,098	104,373	79,278	25,095
General Supplies	1,600	-	1,600	-	1,600
<b>Total required maintenance for school facilities</b>	<b>75,875</b>	<b>30,098</b>	<b>105,973</b>	<b>79,278</b>	<b>26,695</b>
<b>Custodial Services:</b>					
Salaries - Non instructional aides	3,600	-	3,600	-	3,600
Cleaning, repair and maintenance services	307,305	9,000	316,305	298,594	17,711
Other purchased property services	11,500	6,800	18,300	17,243	1,057
Insurance	31,000	-	31,000	29,648	1,352
Energy (natural gas)	48,000	(11,115)	36,885	19,272	17,613
Energy (Electricity)	64,000	-	64,000	59,397	4,603
Other objects	100	-	100	-	100
<b>Total custodial services</b>	<b>465,505</b>	<b>4,685</b>	<b>470,190</b>	<b>424,154</b>	<b>46,036</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Care & Upkeep of Grounds:					
Cleaning, repair & maintenance services	\$ 13,000	\$ -	\$ 13,000	\$ 13,000	\$ -
Total care & upkeep of grounds	13,000	-	13,000	13,000	-
Security:					
General supplies	2,000	-	2,000	-	2,000
Total Security	2,000	-	2,000	-	2,000
Total operation & maint. of plant services	556,380	34,783	591,163	516,432	74,731
Student Transportation Services:					
Management fee - ESC & CTSA Trans. programs	7,200	-	7,200	4,631	2,569
Contr. serv. (Oth than Bet Home & Sch) - Vend	6,200	-	6,200	-	6,200
Contr. serv. (Reg. Students) - ESCs & CTSA	-	500	500	117	383
Contr. serv. (Spl. Ed. Students) - ESCs & CTSA	145,000	(500)	144,500	70,670	73,830
Total student transportation services	158,400	-	158,400	75,418	82,982
Unallocated Benefits - Employee Benefits:					
Social security contributions	16,595	-	16,595	10,865	5,730
Other retirement contributions - PERS	14,800	103	14,903	14,903	-
Other retirement contributions - regular	1,500	(103)	1,397	-	1,397
Unemployment compensation	-	1,306	1,306	1,305	1
Workmen's compensation	15,700	-	15,700	14,571	1,129
Health benefits	605,761	(414)	605,347	535,141	70,206
Tuition reimbursement	9,000	-	9,000	6,072	2,928
Other employee benefits	8,300	(7,000)	1,300	380	920
Unused Sick Payments to Terminated/Retired Staff	-	7,414	7,414	7,000	414
Total unallocated benefits - employee benefits	671,656	1,306	672,962	590,237	82,725
On-behalf TPAF pension contr. (non-budgeted)	-	-	-	486,581	(486,581)
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	152,487	(152,487)
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	208	(208)
Reimbursed TPAF social security contr. (non-budgeted)	-	-	-	151,090	(151,090)
Total Employee Benefits	671,656	1,306	672,962	1,380,603	(707,641)
Total Undistributed Expenditures	6,543,892	31,436	6,575,328	6,957,592	(382,264)
Total General Current Expense	8,436,117	(6,257)	8,429,860	8,661,335	(231,475)

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Undistributed Exp. - Non-Instructional Services	\$ -	\$ 4,600	\$ 4,600	\$ -	\$ 4,600
Equipment	-	4,600	4,600	-	4,600
Facilities acquisition and construction services:					
Construction services	-	-	-	-	-
Assessment for debt service on SDA funding	1,760	-	1,760	1,760	-
Total fac acq and constr services	1,760	-	1,760	1,760	-
Total Capital Outlay	1,760	4,600	6,360	1,760	4,600
Transfer of funds to Charter Schools	34,697	1,657	36,354	34,437	1,917
<b>TOTAL EXPENDITURES</b>	<b>8,472,574</b>	<b>-</b>	<b>8,472,574</b>	<b>8,697,532</b>	<b>(224,958)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(389,169)	(73,074)	(462,243)	345,122	807,365
Other Financing Sources (Uses):					
Operating transfer out - Special Revenue Fund	(70,452)		(70,452)	(70,452)	
Total Other Financing Sources (Uses):	(70,452)	-	(70,452)	(70,452)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(459,621)	(73,074)	(532,695)	274,670	807,365
Fund Balance - July 1	1,354,020		1,354,020	1,354,020	-
Prior Period Adjustment				27,043	27,043
Fund Balance - July 1, Restated	1,354,020		1,354,020	1,381,063	27,043
Fund Balance - June 30	<u>\$ 894,399</u>	<u>\$ (73,074)</u>	<u>\$ 821,325</u>	<u>\$ 1,655,733</u>	<u>\$ 834,408</u>
Recapitulation:					
Restricted:					
Capital Reserve:					
Designated for Subsequent Year's Expenditures				\$ 72,062	
Capital Reserve				345,474	
Maintenance Reserve				302,918	
Excess Surplus:					
Designated for Subsequent Year's Expenditures					
Years Expenditures				221,257	
Current Year				142,623	
Unemployment Compensation				30,826	
Assigned:					
Year-end encumbrances				30,475	
Designated for Subsequent Year's Expenditures				59,806	
Unassigned				450,292	
				<u>1,655,733</u>	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				(248,860)	
Fund Balance per Government Fund (GAAP)				<u>\$ 1,406,873</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources	\$ -	\$ 2,500	\$ 2,500	\$ 1,908	\$ (592)
State sources	734,776	61,290	796,066	733,306	(62,760)
Federal sources	270,195	563,465	833,660	335,502	(498,158)
Total revenues	<u>1,004,971</u>	<u>627,255</u>	<u>1,632,226</u>	<u>1,070,716</u>	<u>(561,510)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	416,859	53,398	470,257	429,488	40,769
Purchased professional services	102,104	30,000	132,104	79,155	52,949
Other purchased services	720	4,672	5,392	3,600	1,792
Tuition	114,000	(3,631)	110,369	110,369	-
Supplies and materials	15,464	80,457	95,921	75,283	20,638
Total instruction	<u>649,147</u>	<u>164,896</u>	<u>814,043</u>	<u>697,895</u>	<u>116,148</u>
Support services:					
Salaries of program director	35,020	-	35,020	35,020	-
Salaries of other professional staff	16,640	-	16,640	16,640	-
Salaries of community parent involvement spec	-	1,800	1,800	-	1,800
Personal services - employee benefits	108,654	63,086	171,740	142,105	29,635
Purchased prof. - educational services	218,444	369,722	588,166	210,401	377,765
Other purchased services	4,000	3,555	7,555	500	7,055
Purchased professional services	-	-	-	-	-
Supplies and materials	43,518	8,196	51,714	37,199	14,515
Student activities	-	-	-	1,604	(1,604)
Total support services	<u>426,276</u>	<u>446,359</u>	<u>872,635</u>	<u>443,469</u>	<u>429,166</u>
Facilities acquisition and const. services:					
Instructional equipment	-	16,000	16,000	-	16,000
Total facilities acq. and const. services	<u>-</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>	<u>16,000</u>
Total expenditures	<u>1,075,423</u>	<u>627,255</u>	<u>1,702,678</u>	<u>1,141,364</u>	<u>561,314</u>
Other financing sources (uses)					
Transfer in from General Fund	70,452	-	70,452	70,452	-
Total other financing sources (uses)	<u>70,452</u>	<u>-</u>	<u>70,452</u>	<u>70,452</u>	<u>-</u>
Total outflows	<u>1,004,971</u>	<u>627,255</u>	<u>1,632,226</u>	<u>1,070,912</u>	<u>561,314</u>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(196)</u>	<u>(196)</u>
Fund Balance, July 1				-	
Prior Period Adjustment				9,316	
Fund Balance, July 1 (Restated)				<u>9,316</u>	
Fund Balance, June 30				<u>\$ 9,120</u>	
Recapitulation:					
Restricted:					
Student Activities				\$ 9,101	
Scholarships				19	
Total Fund Balance				<u>\$ 9,120</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**OAKLYN SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**  
**Budgetary Comparison**  
**For the Fiscal Year Ended June 30, 2021**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 9,042,654	\$ 1,070,716
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	-
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	251,221	10,956
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(248,860)</u>	<u>(10,717)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 9,045,015</u>	<u>\$ 1,070,955</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 8,604,734	\$ 1,070,912
Differences - budget to GAAP		
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	<u>-</u>	<u>70,452</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 8,604,734</u>	<u>\$ 1,141,364</u>

Required Supplementary Information - Part III  
Schedules Related to Accounting and Reporting  
For Pensions and  
Other Post Employment Benefits

**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees Retirement System**  
**Last Eight Fiscal Years**

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0013623114%	0.0013050200%	0.0012812200%	0.0011213381%	0.0011039124%	0.0010626570%	0.0037800273%	0.0046460450%
District's proportionate share of the net pension liability (asset)	\$ 222,157	\$ 235,145	\$ 252,266	\$ 261,030	\$ 326,947	\$ 238,545	\$ 707,724	\$ 887,952
District's covered-employee payroll	104,252	101,016	98,588	91,356	89,976	77,688	75,943	77,788
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	213.10%	232.78%	255.88%	285.73%	363.37%	307.06%	931.91%	1141.50%
Plan fiduciary net position as a percentage of the total pension liability	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Contributions**  
**Public Employees Retirement System**  
**Last Eight Fiscal Years**

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 16,143	\$ 14,903	\$ 12,694	\$ 12,744	\$ 10,388	\$ 9,807	\$ 9,136	\$ 31,162
Contributions in relation to the contractually required contributions	<u>(16,143)</u>	<u>(14,903)</u>	<u>(12,694)</u>	<u>(12,744)</u>	<u>(10,388)</u>	<u>(9,807)</u>	<u>(9,136)</u>	<u>(31,162)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	104,252	101,016	98,588	91,356	89,976	77,688	75,943	77,788
Contributions as a percentage of covered-employee payroll	15.48%	14.75%	12.88%	13.95%	11.55%	12.62%	12.03%	40.06%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Eight Fiscal Years**

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0192025269%	0.0236373109%	0.0227836160%	0.0225398375%	0.0234931008%	0.0253835940%	0.0280546567%	0.0276220142%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 12,644,633</u>	<u>\$ 14,506,441</u>	<u>\$ 14,494,447</u>	<u>\$ 15,197,171</u>	<u>\$ 18,481,169</u>	<u>\$ 16,043,515</u>	<u>\$ 14,994,301</u>	<u>\$ 13,959,949</u>
Total	<u>\$ 12,644,633</u>	<u>\$ 14,506,441</u>	<u>\$ 14,494,447</u>	<u>\$ 15,197,171</u>	<u>\$ 18,481,169</u>	<u>\$ 16,043,515</u>	<u>\$ 14,994,301</u>	<u>\$ 13,959,949</u>
District's covered-employee payroll	2,069,094	1,971,152	1,830,139	2,585,821	2,501,892	2,380,748	2,349,786	2,406,886
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

**OAKLYN SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District**  
**and Changes in the Total OPEB Liability and Related Ratios**  
**Public Employee's Retirement System and Teachers' Pension and Annuity Fund**  
**Last Four Fiscal Years**

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.03%	0.03%	0.03%	0.03%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	<u>\$ 18,025,687</u>	<u>\$ 11,915,232</u>	<u>\$ 15,346,163</u>	<u>\$ 18,484,960</u>
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 18,025,687</u>	<u>\$ 11,915,232</u>	<u>\$ 15,346,163</u>	<u>\$ 18,484,960</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
<b>Total OPEB Liability</b>				
Service Cost	\$ 315,197	\$ 374,293	\$ 457,748	\$ 551,897
Interest	422,786	601,579	671,120	584,216
Difference between expected and actual experiences	2,384,098	(4,229,540)	(2,110,447)	
Changes of assumptions	3,292,674	177,657	(1,761,049)	(2,390,422)
Member Contributions	9,512	10,842	14,182	15,766
Benefit payments	<u>(313,812)</u>	<u>(365,762)</u>	<u>(410,351)</u>	<u>(428,151)</u>
<b>Net Change in total OPEB Liability</b>	<b>\$ 6,110,455</b>	<b>\$ (3,430,931)</b>	<b>\$ (3,138,797)</b>	<b>\$ (1,666,694)</b>
<b>Total OPEB Liability - beginning</b>	<b><u>\$ 11,915,232</u></b>	<b><u>\$ 15,346,163</u></b>	<b><u>\$ 18,484,960</u></b>	<b><u>\$ 20,151,654</u></b>
<b>Total OPEB Liability - ending</b>	<b><u>\$ 18,025,687</u></b>	<b><u>\$ 11,915,232</u></b>	<b><u>\$ 15,346,163</u></b>	<b><u>\$ 18,484,960</u></b>
District's covered-employee payroll	2,173,346	2,072,168	1,928,727	2,677,177
Total OPEB Liability as a percentage of covered-employee payroll	829.40%	575.01%	795.66%	690.46%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.



**Oaklyn School District**  
**Notes to Required Supplementary Information – Part III**  
**For the Fiscal Year Ended June 30, 2021**

**Teacher's Pension and Annuity Fund (TPAF)**

*Changes of benefit term:* There were none.

*Changes of assumptions:* The discount rate changed to 5.40% as of June 30, 2020 from 5.60% as of June 30, 2019 and the long-term rate of return remained at 7.00%.

**Public Employees' Retirement System (PERS)**

*Changes of benefit term:* There were none.

*Changes of assumptions:* The discount rate changed to 7.00% as of June 30, 2020 from 6.28% as of June 30, 2019 and the long-term rate of return remained at 7.00%.

**Other Post-Retirement Plan – Public Employees' Retirement System and Teachers' Pension and Annuity Fund**

*Changes of benefit term:* There were none.

*Changes of assumptions:* The discount rate changed to 2.21% as of June 30, 2020 from 3.50% as of June 30, 2019.

Other Supplementary Information

Special Revenue Fund

**OAKLYN SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenues and Expenditures**  
**Budgetary Basis**  
**For the Fiscal Year ended June 30, 2021**

	IDEA Basic	IDEA Basic - PY	IDEA Preschool	IDEA Preschool - PY	CARES Act	Impact on Literacy	Learning Acceleration	Total Other Prog. (See-E-1A)	Total
<b>REVENUES:</b>									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 1,408	\$ 1,908
State sources	-	-	-	-	-	-	-	733,306	733,306
Federal sources	100,850	10,217	4,424	4,313	61,652	-	1,448	152,598	335,502
Total revenues	100,850	10,217	4,424	4,313	61,652	500	1,448	887,312	1,070,716
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of teachers								429,488	429,488
Purchased professional services								79,155	79,155
Other Purchased services					3,600			-	3,600
Tuition	100,850	9,519						-	110,369
General supplies		698			47,552		1,448	25,585	75,283
Total instruction	100,850	10,217	-	-	51,152	-	1,448	534,228	697,895
Support services:									
Salaries of program director								35,020	35,020
Salaries of other professional staff								16,640	16,640
Personal services - employee benefits								142,105	142,105
Purchased prof. - educational services			4,424	4,313				201,664	210,401
Other purchased services								500	500
Purchased prof. services								-	-
Supplies and materials					10,500	500		26,199	37,199
Student activities								1,604	1,604
Total support services	-	-	4,424	4,313	10,500	500	-	423,732	443,469
Facilities acquisition and const. serv.:									
Instructional equipment								-	-
Total facilities acq. and const. serv.	-	-	-	-	-	-	-	-	-
Total expenditures	100,850	10,217	4,424	4,313	61,652	500	1,448	957,960	1,141,364
Other financing sources (uses)									
Transfer in from General Fund	-	-	-	-	-	-	-	70,452	70,452
Total other financing sources (uses)									
Total outflows	100,850	10,217	4,424	4,313	61,652	500	1,448	887,508	1,070,912
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	(196)	(196)
Fund Balance, July 1	-	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-	-	9,316	9,316
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	9,316	9,316
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,120	\$ 9,120

**OAKLYN SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenues and Expenditures**  
**Budgetary Basis**  
**For the Fiscal Year ended June 30, 2021**

	Title I	Title II A	Title II A Prior Year	Title IV	Digital Divide	Coronavirus Relief Fund	Preschool Expansion Aid	Student Activity Fund	Scholarship Fund	Total
<b>REVENUES:</b>										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,389	\$ 19	\$ 1,408
State sources	-	-	-	-	-	-	733,306	-	-	733,306
Federal sources	114,271	2,049	1,834	8,053	192	26,199	-	-	-	152,598
<b>Total revenues</b>	<b>114,271</b>	<b>2,049</b>	<b>1,834</b>	<b>8,053</b>	<b>192</b>	<b>26,199</b>	<b>733,306</b>	<b>1,389</b>	<b>19</b>	<b>887,312</b>
<b>EXPENDITURES:</b>										
Instruction:										
Salaries of teachers	80,196	1,439	1,704				346,149			429,488
Purchased professional services							79,155			79,155
General supplies				8,053	192		17,340			25,585
<b>Total instruction</b>	<b>80,196</b>	<b>1,439</b>	<b>1,704</b>	<b>8,053</b>	<b>192</b>	<b>-</b>	<b>442,644</b>	<b>-</b>	<b>-</b>	<b>534,228</b>
Support services:										
Salaries of program director							35,020			35,020
Salaries of other professional staff							16,640			16,640
Personal services - employee benefits	34,075	110	130				107,790			142,105
Purchased prof. - educational services							201,664			201,664
Other purchased services		500								500
Purchased prof. services										-
Supplies and materials						26,199				26,199
Student activities								1,604		1,604
<b>Total support services</b>	<b>34,075</b>	<b>610</b>	<b>130</b>	<b>-</b>	<b>-</b>	<b>26,199</b>	<b>361,114</b>	<b>1,604</b>	<b>-</b>	<b>423,732</b>
Facilities acquisition and const. serv.:										
Instructional equipment										-
<b>Total facilities acq. and const. serv.</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>114,271</b>	<b>2,049</b>	<b>1,834</b>	<b>8,053</b>	<b>192</b>	<b>26,199</b>	<b>803,758</b>	<b>1,604</b>	<b>-</b>	<b>957,960</b>
Other financing sources (uses)										
Transfer in from General Fund	-	-	-	-	-	-	70,452			70,452
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,452</b>	<b>-</b>	<b>-</b>	<b>70,452</b>
<b>Total outflows</b>	<b>114,271</b>	<b>2,049</b>	<b>1,834</b>	<b>8,053</b>	<b>192</b>	<b>26,199</b>	<b>733,306</b>	<b>1,604</b>	<b>-</b>	<b>887,508</b>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	(215)	19	(196)
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-	-	9,316	-	9,316
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	9,316	-	9,316
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,101</b>	<b>\$ 19</b>	<b>\$ 9,120</b>



**Oaklyn School District  
Special Revenue Fund  
Schedule of Preschool Education Aid Expenditures  
Preschool - Full Day 3yr & 4 yr - Regular  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of teachers	\$ 336,148	\$ 10,146	\$ 346,294	\$ 346,149	\$ 145
Purchased professional & technical services	102,104		102,104	79,155	22,949
Other purchased services (400-500 series)	720	672	1,392	-	1,392
General supplies	6,964	12,879	19,843	17,340	2,503
<b>Total instruction</b>	<b>445,936</b>	<b>23,697</b>	<b>469,633</b>	<b>442,644</b>	<b>26,989</b>
<b>Support services:</b>					
Salaries of program directors	35,020	-	35,020	35,020	-
Salaries of other professional staff	16,640	-	16,640	16,640	-
Salaries of community parent involvement spec.	-	1,800	1,800	-	1,800
Personal services - employee benefits	82,658	53,709	136,367	107,790	28,577
Purchased professional - educational services	207,744	(6,080)	201,664	201,664	-
Other purchased services	4,000	874	4,874	-	4,874
Supplies & materials	13,230	(12,710)	520	-	520
<b>Total support services</b>	<b>359,292</b>	<b>37,593</b>	<b>396,885</b>	<b>361,114</b>	<b>35,771</b>
<b>Facilities acquisition and cont. serv:</b>					
Instructional equipment	-	-	-	-	-
<b>Total facilities acquisition and cont. serv.</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total program expenditures</b>	<b>\$ 805,228</b>	<b>\$ 61,290</b>	<b>\$ 866,518</b>	<b>\$ 803,758</b>	<b>\$ 62,760</b>

Capital Projects Fund  
Detail Statements



**OAKLYN SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budgetary Basis**  
**For the Fiscal Year ended June 30, 2021**

**Revenues and Other Financing Sources:**

Proceeds of Serial Bonds	\$ -
Transfer from Capital Projects Fund	-
Interest earned on investments	1,982
Total revenues and other financing sources	<u>1,982</u>

**Expenditures and Other Financing (Uses):**

Purchased professional services	46,406
Construction services	2,166,316
Transfer to Debt Service Fund	1,982
Total expenditures and other financing (uses)	<u>2,214,704</u>

Excess (deficiency) or revenues over (under) expenditures (2,212,722)

Fund Balance - July 1, 2020 2,263,918

Fund Balance - June 30, 2021 \$ 51,196

**OAKLYN SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Construction and Various Improvements to the District's Facilities**  
**From Inception and for the Fiscal Year ended June 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
Bond proceeds	\$ 3,400,000	\$ -	\$ 3,400,000	\$ 3,400,000
Transfer from Capital Reserve	588,800		588,800	588,800
	<u>3,988,800</u>		<u>3,988,800</u>	<u>3,988,800</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	\$ 305,018	\$ 46,406	\$ 351,424	\$ 351,424
Construction services	1,419,864	2,166,316	3,586,180	3,586,180
	<u>1,724,882</u>	<u>2,212,722</u>	<u>3,937,604</u>	<u>3,937,604</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 2,263,918</u>	<u>\$ (2,212,722)</u>	<u>\$ 51,196</u>	<u>\$ 51,196</u>
<b>Additional project information:</b>				
Bond Authorization Date	9/24/2019			
Bonds Authorized	\$ 3,400,000			
Bonds Issued	\$ 3,400,000			
Transfer from Capital Reserve	\$ 588,800			
Original Authorized Cost	\$ 3,988,800			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 3,988,800			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	47.00%			
Original target completion date	10/31/20			
Revised target completion date	N/A			

**OAKLYN SCHOOL DISTRICT**  
**Capital Projects Fund**  
 Summary Statement of Project Expenditures  
 Year Ended June 30, 2021

<u>Issue/Project Title</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Total</u>	<u>Balance</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Construction and Various Improvements to the District's Facilities	\$ 3,988,800	\$ 1,724,882	\$ 2,212,722	\$ 3,937,604	\$ 51,196
	<u>\$ 3,988,800</u>	<u>\$ 1,724,882</u>	<u>\$ 2,212,722</u>	<u>\$ 3,937,604</u>	<u>\$ 51,196</u>

Proprietary Funds

**OAKLYN SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Net Position**  
**June 30, 2021**

	<b>Food Service Fund</b>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 156,374
Accounts receivable:	
State	1,656
Federal	12,346
Other	20,530
Inventories	10,243
Total Current Assets	201,149
Noncurrent Assets:	
Equipment	272,383
Less - accumulated depreciation	(109,757)
Total Noncurrent Assets	162,626
Total Assets	363,775
<b>LIABILITIES:</b>	
Current Liabilities:	
Accounts payable	121,807
Interfund payable	13,355
Unearned revenue	1,159
Total Current Liabilities	136,321
<b>NET POSITION:</b>	
Net investment in capital assets	162,626
Unrestricted	64,828
Total Net Position	\$ 227,454

**OAKLYN SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Revenues, Expenses**  
**and Changes in Fund Net Position**  
**For the Fiscal Year Ended June 30, 2021**

	<u>Food Service Fund</u>
<b>Operating Revenues:</b>	
Charges for Services:	
Daily sales reimbursable programs:	
School lunch	\$ -
School breakfast	-
Daily sales non-reimbursable programs	
Other governmental units	39,294
Adult and a la carte sales	731
Miscellaneous	<u>38,758</u>
 Total Operating Revenues	 <u>78,783</u>
<b>Operating Expenses:</b>	
Salaries	71,695
Employee benefits	8,187
Supplies and materials	7,600
Management Fee	15,500
Repairs and maintenance	32,781
Other costs	14,594
Depreciation	9,143
Cost of sales - reimburseable programs	59,586
Cost of sales - nonreimburseable programs	<u>16,483</u>
 Total Operating Expenses	 <u>235,569</u>
 Operating Income (Loss)	 <u>(156,786)</u>
<b>Non-Operating Revenues (Expenses):</b>	
State sources:	
State school lunch program	8,114
Federal sources:	
National school lunch program	167,577
National school breakfast program	105,788
Food distribution program	18,433
Interest earned	<u>182</u>
 Total Non-Operating Revenues (Expenses)	 <u>300,094</u>
 Change in Net Position Before Other Items	 143,308
<b>Other Items:</b>	
Loss on disposal of asset	<u>19,863</u>
 Changes in Net Position	 123,445
 Net Position - July 1, 2020	 <u>104,009</u>
 Net Position - June 30, 2021	 <u>\$ 227,454</u>

**OAKLYN SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2021**

	<b>Food Service Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 57,522
Cash payments to employees for services	(66,527)
Cash payments to suppliers for goods and services	(120,949)
Net cash provided by (used for) operating activities	(129,954)
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	6,759
Cash received from federal sources	263,842
Net cash provided by noncapital financing activities	270,601
<b>Cash Flows Used by Capital and Related Financing Activities:</b>	
Purchase of equipment	(45,538)
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on cash equivalents	182
Net increase (decrease) in cash and cash equivalents	95,291
Cash and cash equivalents - July 1, 2020	61,083
Cash and cash equivalents - June 30, 2021	\$ 156,374
<b>Reconciliation of Operating Income (Loss) to Net Cash provided by (used for)</b>	
<b>Operating Activities:</b>	
Operating income (loss)	\$ (156,786)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	9,143
Commodities	18,433
Change in assets and liabilities:	
(Increase) decrease in accounts receivables	(20,530)
(Increase) decrease in inventories	(1,733)
Increase (decrease) in accounts payable	27,586
Increase (decrease) in interfund payable	(5,074)
Increase (decrease) in unearned revenue	(993)
Net cash provided by (used for) operating activities	\$ (129,954)

Long-Term Debt Schedules



**OAKLYN SCHOOL DISTRICT**  
**Statement of Serial Bonds**  
**For the Fiscal Year Ended June 30, 2021**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance June 30, 2020	Issued	Retired	Balance June 30, 2021
			Date	Amount					
School Bonds	11/26/2019	\$ 14,775,000	9/15/2021	\$ 135,000	2.000%	\$ 3,400,000	\$ -	\$ 100,000	\$ 3,300,000
			9/15/2022	140,000	2.000%				
			9/15/2023	140,000	2.000%				
			9/15/2024	145,000	2.000%				
			9/15/2025	150,000	2.750%				
			9/15/2026	155,000	2.750%				
			9/15/2027	160,000	2.750%				
			9/15/2028	165,000	2.750%				
			9/15/2029	170,000	2.750%				
			9/15/2030	175,000	2.750%				
			9/15/2031	180,000	2.750%				
			9/15/2032	190,000	2.750%				
			9/15/2033	195,000	2.750%				
			9/15/2034	200,000	2.750%				
			9/15/2035	200,000	2.750%				
			9/15/2036	200,000	2.750%				
			9/15/2037	200,000	2.750%				
			9/15/2038	200,000	2.750%				
			9/15/2039	200,000	2.750%				

**OAKLYN SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**For the Fiscal Year Ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 141,479	\$ -	\$ 141,479	\$ 141,479	\$ -
Total Revenues - local sources	141,479	-	141,479	141,479	-
State sources:					
State aid	72,882		72,882	72,882	
Total revenues - state sources	72,882	-	72,882	72,882	
Total Revenues	214,361	-	214,361	214,361	
<b>EXPENDITURES:</b>					
Regular debt service:					
Redemption of principal	100,000		100,000	100,000	
Interest	114,361		114,361	114,361	
Total regular debt service	214,361	-	214,361	214,361	-
Excess (Deficiency) of revenues over (under) expenditures	-		-	-	
Other Financing Sources:					
Operating transfers in	-			1,982	1,982
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	-	-	-	1,982	1,982
Fund Balance - July 1,	-	-	-	10,834	10,834
Fund Balance - June 30,	\$ -	\$ -	\$ -	\$ 12,816	\$ 12,816

**Statistical Section**

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

	<b>Fiscal Year Ending June 30,</b>									
	<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>
Governmental activities:										
Invested in capital assets, net of related debt	\$ 1,021,685	\$ 1,273,842	\$ 1,180,300	\$ 1,000,072	\$ 958,984	\$ 1,204,524	\$ 1,349,597	\$ 1,597,741	\$ (1,789,682)	\$ 1,743,416
Restricted for:										
Other purposes	218,701	48,287	298,218	606,250	1,114,021	1,538,023	1,714,671	1,740,359	3,308,010	1,188,292
Unrestricted	(222,495)	(82,836)	(84,773)	(900,005)	(865,994)	(700,193)	(626,257)	(502,660)	(369,127)	(98,212)
Total governmental activities net position	<u>\$ 1,017,891</u>	<u>\$ 1,239,293</u>	<u>\$ 1,393,745</u>	<u>\$ 706,317</u>	<u>\$ 1,207,011</u>	<u>\$ 2,042,354</u>	<u>\$ 2,438,011</u>	<u>\$ 2,835,440</u>	<u>\$ 1,149,201</u>	<u>\$ 2,833,496</u>
Business-type activities:										
Invested in capital assets, net of related debt	\$ 14,108	\$ 3,731	\$ -	\$ 30,347	\$ 24,471	\$ 44,851	\$ 39,221	\$ 54,640	\$ 53,178	\$ 162,626
Unrestricted	23,369	40,207	62,020	74,687	76,258	76,059	82,821	54,128	50,831	64,828
Total business-type activities net position	<u>\$ 37,477</u>	<u>\$ 43,938</u>	<u>\$ 62,020</u>	<u>\$ 105,034</u>	<u>\$ 100,729</u>	<u>\$ 120,910</u>	<u>\$ 122,042</u>	<u>\$ 108,768</u>	<u>\$ 104,009</u>	<u>\$ 227,454</u>
District-wide:										
Invested in capital assets, net of related debt	\$ 1,035,793	\$ 1,277,573	\$ 1,180,300	\$ 1,030,419	\$ 983,455	\$ 1,249,375	\$ 1,388,818	\$ 1,652,381	\$ (1,736,504)	\$ 1,906,042
Restricted:										
Capital reserve										
Other purposes	218,701	48,287	298,218	606,250	1,114,021	1,538,023	1,714,671	1,740,359	3,308,010	1,188,292
Unrestricted	(199,126)	(42,629)	(22,753)	(825,318)	(789,736)	(624,134)	(543,436)	(448,532)	(318,296)	(33,384)
Total district net position	<u>\$ 1,055,368</u>	<u>\$ 1,283,231</u>	<u>\$ 1,455,765</u>	<u>\$ 811,351</u>	<u>\$ 1,307,740</u>	<u>\$ 2,163,264</u>	<u>\$ 2,560,053</u>	<u>\$ 2,944,208</u>	<u>\$ 1,253,210</u>	<u>\$ 3,060,950</u>

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

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	\$ 1,788,834	\$ 1,883,242	\$ 1,847,021	\$ 1,952,554	\$ 1,845,935	\$ 1,800,295	\$ 1,950,285	\$ 1,501,012	\$ 1,942,908	\$ 1,905,838
Special education	658,098	742,918	527,532	553,821	555,701	691,559	670,737	522,911	404,868	427,006
Other instruction	248,386	232,451	221,245	169,344	232,312	237,233	255,465	190,524	208,899	207,629
Support Services:										
Tuition	1,856,611	1,957,804	2,094,612	2,102,218	1,589,400	1,177,942	1,425,888	2,937,061	3,668,808	3,663,587
Student & instruction related services	686,512	740,122	777,675	793,141	987,706	1,045,735	1,151,253	1,075,512	999,778	1,231,832
General and business administrative services	400,691	363,236	268,240	175,565	216,362	169,478	193,891	188,229	174,846	236,123
School administrative services	155,071	163,362	168,761	281,745	315,537	332,805	341,276	135,129	158,518	159,404
Plant operations and maintenance	795,890	119,363	488,857	473,347	474,837	564,487	522,818	533,510	2,210,431	557,620
Pupil transportation	83,438	153,324	144,970	170,406	172,123	151,934	132,973	151,524	250,232	75,418
Business and other support services										
Employee benefits	1,610,968	1,601,551	1,375,200	1,337,229	1,327,448	1,463,518	1,610,839	2,624,961	1,905,559	2,352,312
Special schools					1,728	2,728	1,728	12,306	108	
Transfer of funds to charter school			23,495	32,542	54,648	56,933	29,888	10,866	11,110	34,437
Interest on long-term debt										132,392
Unallocated depreciation	49,410	2,571	2,395	6,266	1,265	951	1,068	1,384	1,562	3,295
Total governmental activities expenses	<u>8,333,909</u>	<u>7,959,944</u>	<u>7,940,003</u>	<u>8,048,178</u>	<u>7,775,002</u>	<u>7,695,598</u>	<u>8,288,109</u>	<u>9,884,929</u>	<u>11,937,627</u>	<u>10,986,893</u>
Business-type activities:										
Food service	266,531	256,108	232,572	219,021	242,204	242,234	236,479	179,111	152,332	235,569
Total business-type activities expense	<u>266,531</u>	<u>256,108</u>	<u>232,572</u>	<u>219,021</u>	<u>242,204</u>	<u>242,234</u>	<u>236,479</u>	<u>179,111</u>	<u>152,332</u>	<u>235,569</u>
Total district expenses	<u>\$ 8,600,440</u>	<u>\$ 8,216,052</u>	<u>\$ 8,172,575</u>	<u>\$ 8,267,199</u>	<u>\$ 8,017,206</u>	<u>\$ 7,937,832</u>	<u>\$ 8,524,588</u>	<u>\$ 10,064,040</u>	<u>\$ 12,089,959</u>	<u>\$ 11,222,462</u>
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 651,098	\$ 596,664	\$ 413,291	\$ 27,733	\$ 17,237	\$ 9,362	\$ 12,000	\$ -	\$ -	\$ 39,634
Operating grants and contributions	700,536	836,239	749,920	782,289	834,128	912,610	1,010,996	2,581,814	2,419,565	4,234,246
Total governmental activities program revenues	<u>1,351,634</u>	<u>1,432,903</u>	<u>1,163,211</u>	<u>810,022</u>	<u>851,365</u>	<u>921,972</u>	<u>1,022,996</u>	<u>2,581,814</u>	<u>2,419,565</u>	<u>4,273,880</u>

(Continued)

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

	<b>Fiscal Year Ending June 30,</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Business-type activities:</b>										
Charges for services:										
Food service	\$ 139,983	\$ 141,567	\$ 145,021	\$ 136,218	\$ 140,270	\$ 155,306	\$ 147,180	\$ 102,607	\$ 74,441	\$ 78,783
Operating grants and contributions	118,105	120,913	105,537	93,845	97,465	91,475	90,225	62,837	73,132	299,912
Capital grants and contributions						15,493				
Total business type activities program revenues	<u>258,088</u>	<u>262,480</u>	<u>250,558</u>	<u>230,063</u>	<u>237,735</u>	<u>262,274</u>	<u>237,405</u>	<u>165,444</u>	<u>147,573</u>	<u>378,695</u>
Total district program revenues	<u>\$ 1,609,722</u>	<u>\$ 1,695,383</u>	<u>\$ 1,413,769</u>	<u>\$ 1,040,085</u>	<u>\$ 1,089,100</u>	<u>\$ 1,184,246</u>	<u>\$ 1,260,401</u>	<u>\$ 2,747,258</u>	<u>\$ 2,567,138</u>	<u>\$ 4,652,575</u>
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (6,982,275)	\$ (6,527,041)	\$ (6,776,792)	\$ (7,238,156)	\$ (6,923,637)	\$ (6,773,626)	\$ (7,265,113)	\$ (7,303,115)	\$ (9,518,062)	\$ (6,713,013)
Business-type activities	(8,443)	6,372	17,986	11,042	(4,469)	20,040	926	(13,667)	(4,759)	143,126
Total district-wide net expense	<u>\$ (6,990,718)</u>	<u>\$ (6,520,669)</u>	<u>\$ (6,758,806)</u>	<u>\$ (7,227,114)</u>	<u>\$ (6,928,106)</u>	<u>\$ (6,753,586)</u>	<u>\$ (7,264,187)</u>	<u>\$ (7,316,782)</u>	<u>\$ (9,522,821)</u>	<u>\$ (6,569,887)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 4,138,967	\$ 4,285,045	\$ 4,452,813	\$ 4,664,481	\$ 4,786,706	\$ 4,882,440	\$ 4,980,089	\$ 5,079,691	\$ 5,192,649	\$ 5,388,414
Taxes levied for debt service										141,479
Unrestricted grants and contributions	2,326,444	2,451,903	2,454,574	2,643,199	2,624,865	2,682,776	2,662,103	2,605,907	2,523,835	2,741,621
Investment earnings										
Miscellaneous income	23,221	11,495	23,857	95,993	12,760	43,753	18,578	14,946	115,339	89,435
Loss on disposal of assets	(20,819)	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>6,467,813</u>	<u>6,748,443</u>	<u>6,931,244</u>	<u>7,403,673</u>	<u>7,424,331</u>	<u>7,608,969</u>	<u>7,660,770</u>	<u>7,700,544</u>	<u>7,831,823</u>	<u>8,360,949</u>
Business-type activities:										
Investment earnings	163	99	96	132	164	-	206	393	-	182
Gain(Loss) on disposal of assets	3,838	-	-	-	-	-	-	-	-	(19,863)
Total business-type activities	<u>4,001</u>	<u>99</u>	<u>96</u>	<u>132</u>	<u>164</u>	<u>-</u>	<u>206</u>	<u>393</u>	<u>-</u>	<u>(19,681)</u>
Total district-wide	<u>\$ 6,471,814</u>	<u>\$ 6,748,542</u>	<u>\$ 6,931,340</u>	<u>\$ 7,403,805</u>	<u>\$ 7,424,495</u>	<u>\$ 7,608,969</u>	<u>\$ 7,660,976</u>	<u>\$ 7,700,937</u>	<u>\$ 7,831,823</u>	<u>\$ 8,341,268</u>
<b>Change in Net Position:</b>										
Governmental activities	\$ (514,462)	\$ 221,402	\$ 154,452	\$ 165,517	\$ 500,694	\$ 835,343	\$ 395,657	\$ 397,429	\$ (1,686,239)	\$ 1,647,936
Business-type activities	(4,442)	6,471	18,082	11,174	(4,305)	20,040	1,132	(13,274)	(4,759)	123,445
Total district-wide	<u>\$ (518,904)</u>	<u>\$ 227,873</u>	<u>\$ 172,534</u>	<u>\$ 176,691</u>	<u>\$ 496,389</u>	<u>\$ 855,383</u>	<u>\$ 396,789</u>	<u>\$ 384,155</u>	<u>\$ (1,690,998)</u>	<u>\$ 1,771,381</u>

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

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Restricted for:										
Year-end Encumbrances	\$ -	\$ 28,287	\$ 58,043	\$ 3,378	\$ 13,250	\$ 17,452	\$ -	\$ -	\$ 7,777	\$ 30,475
Capital reserve	-	-	-	100,000	300,000	627,302	724,701	745,298	157,280	417,536
Maintenance reserve	-	-	58,000	158,000	258,000	258,000	258,000	221,590	205,581	302,918
Future tuition payments	200,000	-	-	-	-	-	128,000	278,000	150,000	-
Unemployment compensation	-	-	-	-	-	-	-	-	-	30,826
Excess surplus	-	-	91,337	253,457	262,762	358,568	212,404	473,721	221,257	142,623
Designated for subsequent year's budget	18,701	20,000	90,838	91,415	280,009	276,701	391,566	21,750	302,319	281,063
Unassigned	(130,336)	21,509	7,451	33,819	16,648	26,743	9,328	29,526	58,585	201,432
Total general fund	<u>\$ 88,365</u>	<u>\$ 69,796</u>	<u>\$ 305,669</u>	<u>\$ 640,069</u>	<u>\$ 1,130,669</u>	<u>\$ 1,564,766</u>	<u>\$ 1,723,999</u>	<u>\$ 1,769,885</u>	<u>\$ 1,102,799</u>	<u>\$ 1,406,873</u>
All Other Governmental Funds										
Restricted for:										
Year-end Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,173,405	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	(10,956)	(1,597)
Capital projects fund	-	-	-	-	-	-	-	-	90,513	51,196
Debt service fund	-	-	-	-	-	-	-	-	10,834	12,816
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,263,796</u>	<u>\$ 62,415</u>

Oaklyn School District  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

<b>Fiscal Year Ending June 30,</b>										
	<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>
<b>Revenues</b>										
Tax levy	\$ 4,138,967	\$ 4,285,045	\$ 4,452,813	\$ 4,664,481	\$ 4,786,706	\$ 4,882,440	\$ 4,980,089	\$ 5,079,691	\$ 5,192,649	\$ 5,529,893
Tuition charges	651,098	596,664	413,291	27,733	17,237	26,064	22,981	-	46,723	39,634
Interest earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous	23,221	11,495	23,857	95,993	12,760	27,051	7,597	14,946	68,616	89,435
Local sources										1,908
State sources	2,760,821	3,023,657	2,922,401	3,156,190	3,197,215	3,301,770	3,398,143	3,795,335	4,017,995	4,309,229
Federal sources	266,159	264,485	282,093	269,298	261,778	293,616	274,956	230,792	283,157	362,214
<b>Total revenue</b>	<u>7,840,266</u>	<u>8,181,346</u>	<u>8,094,455</u>	<u>8,213,695</u>	<u>8,275,696</u>	<u>8,530,941</u>	<u>8,683,766</u>	<u>9,120,764</u>	<u>9,609,140</u>	<u>10,332,313</u>
<b>Expenditures</b>										
Instruction										
Regular Instruction	1,778,317	1,804,215	1,796,879	1,830,102	1,774,953	1,840,629	1,900,364	1,464,790	1,770,286	1,775,740
Special education instruction	658,098	742,918	527,532	553,821	555,701	691,559	670,737	522,911	404,868	427,006
Other instruction	248,386	232,451	221,245	169,344	232,312	237,233	255,465	190,524	208,899	207,629
Support Services:										
Tuition	1,856,611	1,957,804	2,094,612	2,102,218	1,589,400	1,177,942	1,425,888	2,937,061	3,668,808	3,663,587
Student & instruction related services	686,512	740,122	777,675	793,141	987,706	1,045,735	1,151,253	1,075,512	999,778	1,231,832
General and business admin. services	400,691	355,524	261,056	162,048	212,568	165,674	189,617	182,694	168,597	222,943
School administrative services	155,071	163,362	168,761	281,745	315,537	332,805	341,276	135,129	158,518	159,404
Plant operations and maintenance	481,433	439,912	465,397	428,290	469,930	508,747	492,208	497,369	490,351	516,432
Pupil transportation	83,438	153,324	144,970	170,406	172,123	151,934	132,973	151,524	250,232	75,418
Other support services	1,610,968	1,601,551	1,375,200	1,353,878	1,416,730	1,547,981	1,717,383	1,558,016	1,489,636	1,522,708
Special schools	-	-	-	-	1,728	2,728	1,728	12,306	108	-
Capital outlay	350,099	8,732	1,760	1,760	1,760	336,944	215,753	336,176	1,791,239	2,214,482
Transfer to Charter School	-	-	23,495	32,542	54,648	56,933	29,888	10,866	11,110	34,437
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	100,000
Interest and other charges	-	-	-	-	-	-	-	-	-	114,361
<b>Total expenditures</b>	<u>8,309,624</u>	<u>8,199,915</u>	<u>7,858,582</u>	<u>7,879,295</u>	<u>7,785,096</u>	<u>8,096,844</u>	<u>8,524,533</u>	<u>9,074,878</u>	<u>11,412,430</u>	<u>12,265,979</u>
Excess (Deficiency) of revenues over (under) expenditures	(469,358)	(18,569)	235,873	334,400	490,600	434,097	159,233	45,886	(1,803,290)	(1,933,666)
<b>Other Financing sources (uses)</b>										
Dond proceeds	-	-	-	-	-	-	-	-	3,400,000	-
Transfers in	-	-	-	-	-	-	-	-	718,831	72,434
Transfers out	-	-	-	-	-	-	-	-	(718,831)	(72,434)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,400,000</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ (469,358)</u>	<u>\$ (18,569)</u>	<u>\$ 235,873</u>	<u>\$ 334,400</u>	<u>\$ 490,600</u>	<u>\$ 434,097</u>	<u>\$ 159,233</u>	<u>\$ 45,886</u>	<u>\$ 1,596,710</u>	<u>\$ (1,933,666)</u>
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.13%

Source: District records



Oaklyn School District  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Donations</u>	<u>Prior Year Refunds</u>	<u>Rentals</u>	<u>E-Rate</u>	<u>Sale of Asset</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 4,279	\$ 651,098	\$ 2,600	\$ 11,495	\$ 451	\$ 4,172	\$ -	\$ 224	\$ 674,319
2013	2,595	596,664	-	5,349	-	-	-	3,551	608,159
2014	2,033	413,291	-	20,624	1,200	-	-	-	437,148
2015	2,337	27,733	-	8,125	1,100	-	83,782	649	123,726
2016	3,428	17,237	-	9,325	-	-	-	7	29,997
2017	4,303	26,064	-	20,675	1,550	-	-	523	53,115
2018	6,540	22,981	-	832	-	-	-	225	30,578
2019	11,721	-	-	528	-	-	-	2,697	14,946
2020	8,156	46,723	-	47,821	-	-	-	-	102,700
2021	2,675	39,634	-	40,382	39,946	-	-	-	122,637
	<u>\$ 48,067</u>	<u>\$ 1,841,425</u>	<u>\$ 2,600</u>	<u>\$ 165,156</u>	<u>\$ 44,247</u>	<u>\$ 4,172</u>	<u>\$ 83,782</u>	<u>\$ 7,876</u>	<u>\$ 2,197,325</u>

Source: District records

Oaklyn School District  
 Assessed Value and Actual Value of Taxable Property,  
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate <sup>o</sup>	Estimated Actual (County Equalized) Value
2012	\$ 1,193,400	\$ 134,722,000	\$ 14,890,000	\$ 169,000	\$ 8,134,200	\$ 159,108,600		\$ 159,108,600	\$ 11,209,200	\$ 2.693	\$ 288,870,428
2013	R 1,018,700	218,723,400	24,478,400	262,600	13,963,300	258,446,400		258,446,400	22,797,600	1.722	268,470,877
2014	941,800	218,044,600	24,478,400	262,600	13,476,600	257,204,000		257,204,000	23,400,900	1.813	280,588,536
2015	1,060,800	217,896,700	23,211,400	262,600	13,203,500	255,635,000		255,635,000	23,416,100	1.872	283,527,565
2016	1,130,800	216,850,500	22,626,600	262,600	13,203,500	254,074,000		254,074,000	23,757,900	1.921	279,227,621
2017	1,123,300	216,706,700	22,392,300	262,600	13,203,500	253,688,400		253,688,400	23,916,800	1.963	271,050,008
2018	1,143,600	215,765,600	22,115,000	262,600	13,203,500	252,490,300		252,490,300	24,387,900	2.011	273,438,717
2019	1,303,800	215,558,600	21,516,300	262,600	13,203,500	251,844,800		251,844,800	24,408,700	2.062	279,917,559
2020	1,078,800	216,632,700	21,393,800	262,600	13,119,100	252,487,000		252,487,000	24,024,800	2.190	284,923,385
2021	1,068,200	217,054,800	21,294,800	262,600	13,119,100	252,799,500		252,799,500	24,169,600	2.217	286,260,608

Source:  
 Municipal Tax Assessor

Note:  
 Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.  
 Reassessment occurs when ordered by the County Board of Taxation

- a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100 of assessed valuation.
- c Not Available.
- R Revaluation.

**Oaklyn School District**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

Fiscal Year Ended June 30,	Oaklyn School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Oaklyn	Camden County	
2012	\$ 2.693	\$ -	\$ 2.693	\$ 2.034	\$ 1.397	\$ 6.124
2013	1.722	-	1.722	1.286	0.862	3.870
2014	1.813	-	1.813	1.326	0.930	4.069
2015	1.872	-	1.872	1.383	0.972	4.227
2016	1.921	-	1.921	1.413	0.973	4.307
2017	1.963	-	1.963	1.441	0.953	4.357
2018	2.011	-	2.011	1.492	0.946	4.449
2019	2.062	-	2.062	1.494	0.964	4.520
2020	2.130	0.060	2.190	1.522	0.959	4.671
2021	2.167	0.050	2.217	1.567	0.956	4.740

**Source:** Municipal Tax Collector

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

<u>Taxpayer</u>	<b>2021</b>	
	<b>Taxable Assessed Value</b>	<b>% of Total District Net Assessed Value</b>
2 Oaklyn Properties LLC	\$ 2,314,200	0.92%
Everall LLC	1,128,600	0.45%
Castle Lynne LLC	1,100,000	0.44%
BK WHP Reality LLC	1,064,600	0.42%
Oaklyn Equities, LLC - CVS	1,025,000	0.41%
TD Bank	900,000	0.36%
Heights Investment Property, LLC	844,700	0.33%
Catherine Mitchell Real Estate Assoc	818,300	0.32%
Individual #1	796,900	0.32%
James H. Galligan Living Trust	750,000	0.30%
<b>Total</b>	<b>\$ 10,742,300</b>	<b>4.25%</b>

<u>Taxpayer</u>	<b>2012</b>	
	<b>Taxable Assessed Value</b>	<b>% of Total District Net Assessed Value</b>
Oaklyn Associates	\$1,650,000	1.03%
Peter and Joan Corelli	1,072,300	0.67%
Allan & Sandra Vogelsson	768,000	0.48%
White Oak Manor, LLC	751,700	0.47%
Oaklyn Equities, LLC - CVS	730,000	0.46%
BK WHP Realty, LLC	676,100	0.42%
TD Bank	600,700	0.38%
HRE Gas, LLC	543,200	0.34%
Catherine Mitchell Real Estate Assoc	503,700	0.32%
James Saultz	473,800	0.30%
<b>Total</b>	<b>\$ 7,769,500</b>	<b>4.88%</b>

**Source:** Municipal Tax Assessor

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

<b>Fiscal Year Ended June 30,</b>	<b>Taxes Levied for the Calendar Year</b>	<b>Collected within the Fiscal Year of the Levy<sup>a</sup></b>		<b>Collections in Subsequent Years</b>
		<b>Amount</b>	<b>Percentage of Levy</b>	
2012	\$ 4,138,967	\$ 4,138,967	100.00%	-
2013	4,285,045	4,285,045	100.00%	-
2014	4,452,813	4,452,813	100.00%	-
2015	4,664,481	4,664,481	100.00%	-
2016	4,786,706	4,786,706	100.00%	-
2017	4,882,440	4,882,440	100.00%	-
2018	4,980,089	4,980,089	100.00%	-
2019	5,079,691	5,079,691	100.00%	-
2020	5,192,649	5,192,649	100.00%	-
2021	5,529,893	5,529,893	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 Statutes, 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.

Oaklyn School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities		Percentage of Personal Income <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds <sup>a</sup>	Capital Leases	Capital Leases	Total District		
2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020	3,400,000	-	-	3,400,000	e	862
2021	3,300,000	-	-	3,300,000	e	e

**Sources:**

- a District Records
- b Personal Income has been estimated based upon the municipal population and per capita personal income.
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Not applicable
- e Not available

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding <sup>a</sup>		
2012	\$ -	\$ -	\$ -	\$ -	\$ -
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	3,400,000	-	3,400,000	1.35%	862
2021	3,300,000	-	3,300,000	1.31%	e

**Sources:**

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Not applicable
- e Not Available

Oaklyn School District  
 Ratios of Overlapping Governmental Activities Debt  
 As of December 31, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Oaklyn	\$ 8,873,574	100.000%	\$ 8,873,574
Camden County General Obligation Debt	485,294,543	0.717%	3,479,562
			<hr/>
Subtotal, overlapping debt			12,353,136
Oaklyn School District Direct Debt			<hr/> 3,300,000
<b>Total direct and overlapping debt</b>			<hr/> <b>\$ 15,653,136</b> <hr/>

**Sources:**

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2020 Equalized Valuation. The source for this computation was the 2020 County Abstract of Ratables, provided by the County Board of Taxation.



**Legal Debt Margin Calculation for Fiscal Year 2021**

Equalized valuation basis (1):	
2018	\$ 279,984,808
2019	283,545,147
2020	285,263,812
	<u>\$ 848,793,767</u>
Average equalized valuation of taxable property	<u>\$ 282,931,256</u>
Debt limit 2.5%	7,073,281
Net bonded school debt (3)	<u>3,300,000</u>
Legal debt margin	<u>\$ 3,773,281</u>

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 10,535,486	\$ 10,076,009	\$ 9,890,583	\$ 9,841,962	\$ 9,870,174	\$ 9,748,322	\$ 9,626,181	\$ 9,623,203	\$ 6,980,083	\$ 7,073,281
Total net debt applicable to limit (3)	-	-	-	-	-	-	-	-	3,400,000	3,300,000
Legal debt margin	<u>\$ 10,535,486</u>	<u>\$ 10,076,009</u>	<u>\$ 9,890,583</u>	<u>\$ 9,841,962</u>	<u>\$ 9,870,174</u>	<u>\$ 9,748,322</u>	<u>\$ 9,626,181</u>	<u>\$ 9,623,203</u>	<u>\$ 3,580,083</u>	<u>\$ 3,773,281</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	48.71%	46.65%

**Sources:**

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJS A 18A:24-19 for a K through 8 district.
- (3) District Records

**Oaklyn School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2012	4,015	\$ 179,101,120	\$ 44,608	7.7%
2013	3,991	180,612,705	45,255	8.8%
2014	3,975	186,530,850	46,926	6.1%
2015	3,968	193,912,192	48,869	5.5%
2016	3,970	199,413,100	50,230	4.9%
2017	3,964	205,687,996	51,889	4.2%
2018	3,962	212,917,880	53,740	4.1%
2019	3,955	220,609,900	55,780	3.2%
2020	3,945	e	e	8.5%
2021	e	e	e	e

**Source:**

- <sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development
- <sup>b</sup> Personal income has been established based upon the municipal population and per capita personal income presented.
- <sup>c</sup> Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- <sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development
- <sup>e</sup> Information not available

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

J-16

<u>Function/Program</u>	<u>Fiscal Year Ending June 30,</u>									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	29.5	29.0	28.0	28.0	29.0	28.0	28.0	21.0	22.0	22.1
Special education	12.0	12.0	12.0	12.0	8.0	10.0	10.0	5.0	5.0	5.0
Support Services:										
Student & instruction related services	11.6	12.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0
School administrative services	3.0	2.6	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
General administrative services	1.8	1.0	-	-	-	-	-	-	-	-
Plant operations and maintenance	0.8	-	-	-	-	-	-	-	-	-
Business and other support services	1.8	1.0	-	-	-	-	-	-	-	-
Food Service	1.5	1.5	1.0	-	-	-	-	-	-	-
Total	<u>62.0</u>	<u>59.1</u>	<u>48.3</u>	<u>47.3</u>	<u>44.3</u>	<u>44.3</u>	<u>44.3</u>	<u>32.3</u>	<u>33.3</u>	<u>33.4</u>

**Source:**  
District Personnel Records

Fiscal Year	Resident Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio Elementary	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
2012	469	\$ 7,959,525	\$ 16,971	-11.26%	41	1:11	459.2	434.2	0.56%	94.56%
2013	440	8,191,183	18,616	9.69%	41	1:10	442.4	417.8	-3.66%	94.44%
2014	510	7,856,822	15,406	-17.25%	40	1:12	410.0	389.2	-7.32%	94.93%
2015	468	7,877,535	16,832	9.26%	40	1:11	376.2	356.9	-8.24%	94.87%
2016	444	7,783,336	17,530	4.14%	37	1:12	384.1	365.2	2.09%	95.10%
2017	445	7,759,900	17,438	-0.53%	38	1:11	365.1	346.5	-4.95%	94.91%
2018	445	8,308,780	18,671	7.07%	38	1:11	358.4	340.6	-1.84%	95.03%
2019	441	8,738,702	19,816	6.13%	27	1:10	246.8	234.6	-31.14%	95.08%
2020	466	9,740,388	20,902	5.48%	27	1:10	283.1	274.1	14.70%	96.85%
2021	475	9,837,136	20,710	-0.92%	27	1:10	273.9	262.4	-3.24%	95.77%

**Sources:** District records

**Note:** Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- 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).

Oaklyn School District  
 School Building Information  
 Last Ten Fiscal Years

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>District Building</b>										
<u>Elementary</u>										
Oaklyn Elementary (1926)										
Square Feet	74,260	74,260	74,260	74,260	74,260	74,260	74,260	74,260	74,260	74,260
Capacity (students)	540	540	540	540	540	540	540	540	540	540
Enrollment	469	440	413	376	386	376	358	247	283	274
<u>Other</u>										
Administration (1932)										
Square Feet	920	920	920	920						

Number of Schools at June 30, 2021  
 Elementary = 1

Source: District Facilities Office

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

	Fiscal Year Ending June 30,										Total
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
<b>* School Facilities</b>											
Oaklyn Public School	\$ 37,297	\$ 48,851	\$ 45,826	\$ 35,830	\$ 57,698	\$ 88,295	\$ 81,562	\$ 65,684	\$ 14,189	\$ 79,278	\$ 554,510
Total School Facilities	<u>\$ 37,297</u>	<u>\$ 48,851</u>	<u>\$ 45,826</u>	<u>\$ 35,830</u>	<u>\$ 57,698</u>	<u>\$ 88,295</u>	<u>\$ 81,562</u>	<u>\$ 65,684</u>	<u>\$ 14,189</u>	<u>\$ 79,278</u>	<u>\$ 554,510</u>

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

Source: District records

**Oaklyn School District  
Insurance Schedule  
June 30, 2021**

	<u>Coverage</u>	<u>Self-insured Retention</u>	<u>Deductible</u>
School Package Policy (1)			
Building and Contents (All Locations)			
Limits of liability per occurrence	\$ 175,000,000	\$ 250,000	\$ 500
Boiler and Machinery	125,000,000		1,000
Crime	500,000	250,000	500
General and Automobile Liability	20,000,000	250,000	
Workers' compensation	Statutory	250,000	
Educators Legal Liability	20,000,000	250,000	
Pollution Legal Liability	3,000,000		25,000
Pollution Legal Liability - mold incident	3,000,000		50,000-250,000
Cyber Liability	2,000,000		50,000-100,000
Violent Malicious Acts	1,000,000		15,000
Disaster Management Services	2,000,000		10,000
Student Accident (2)	1,000,000		
Surety Bonds (3)			
Business Administrator	200,000		

- (1) Burlington County Insurance Pool Joint Insurance Fund
- (2) Catlin Insurance Company
- (3) Liberty Mutual

**Source: District records**

**Single Audit Section**



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 New Jersey Society of CPAs

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
 of the Board of Education  
 Oaklyn School District  
 County of Camden  
 Oaklyn, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the 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 Oaklyn School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated January 28, 2022.

***Internal Control Over Financial Reporting***

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

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

My 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 my audit I did not identify any deficiencies in internal control that I 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 Oaklyn School District’s financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is 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 my 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.

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
January 28, 2022

***INVERSO & STEWART, LLC***  
**Certified Public Accountants**

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
 of the Board of Education  
 Oaklyn School District  
 County of Camden  
 Oaklyn, New Jersey

**Report on Compliance for Each Major State Program**

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

**Management's Responsibility**

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

**Auditor's Responsibility**

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

I believe that my audit provides a reasonable basis for my opinion on compliance for each major state program. However, my audit does not provide a legal determination of the School District's compliance.

**Opinion on Each Major State Program**

In my opinion, the Oaklyn School District, in the County of Camden, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2021.

## Report on Internal Control Over Compliance

Management of the Oaklyn 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 my audit of compliance, I 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 state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Oaklyn 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 state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my testing of internal control over compliance and the results of that testing based on the requirements of State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

***INVERSO & STEWART, LLC***

Certified Public Accountants



Robert P. Inverso

Certified Public Accountant

Public School Accountant No. CS001095

Marlton, New Jersey  
January 28, 2022

OAKLYN SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance at June 30, 2020			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2021		
						(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
<b>U.S. Department of Education</b>															
<b>Passed-through State Department of Education:</b>															
Special Revenue Fund:															
Title I:															
Fiscal Year 2021	84.010A	S010A200030	ESSA377021	\$ 115,057	7/1/20 - 9/30/21	\$ -	\$ -	\$ -	\$ -	\$ 72,176	\$ (114,271)	\$ -	\$ (42,095)	\$ -	\$ -
Fiscal Year 2020	84.010A	S010A190030	ESSA377020	125,538	7/1/19 - 9/30/20	(37,120)				37,120					
Title II A:															
Fiscal Year 2021	84.367A	S367A200029	ESSA377021	21,281	7/1/20 - 9/30/21					1,560	(2,049)		(489)		
Fiscal Year 2020	84.367A	S367A190029	ESSA377020	14,474	7/1/19 - 9/30/20	(721)				2,555	(1,834)				
Title IV:															
Fiscal Year 2021	84.424	S424A200031	ESSA377021	15,211	7/1/20 - 9/30/21					1,167	(8,053)		(6,886)		
Fiscal Year 2020	84.424	S424A190031	ESSA377020	15,253	7/1/19 - 9/30/20	(3,558)		127		3,431					
I.D.E.A. Part B - Basic:															
Fiscal Year 2021	84.027	H027A200100	IDEA377021	100,850	7/1/20 - 9/30/21					96,700	(100,850)		(4,150)		
Fiscal Year 2020	84.027	H027A190100	IDEA377020	123,732	7/1/19 - 9/30/20	(10,522)		838		19,901	(10,217)				
I.D.E.A. Part B - Preschool:															
Fiscal Year 2021	84.173	H173A200114	IDEA377021	4,424	7/1/20 - 9/30/21					4,424	(4,424)		-		
Fiscal Year 2020	84.173	H173A190114	IDEA377020	4,313	7/1/19 - 9/30/20					4,313	(4,313)				
CARES Act															
Fiscal Year 2021	84.425	S425D200027	N/A	93,813	7/1/20 - 9/30/21					6,548	(61,652)		(55,104)		
Fiscal Year 2020	84.425	S425D200027	N/A	89,791	7/1/19 - 9/30/20	(883)							(883)		
Coronavirus Relief Fund															
Fiscal Year 2021	84.425	S425D200027	N/A	30,288	7/1/20 - 9/30/21					30,288	(26,199)			4,089	
Learning Acceleration															
Fiscal Year 2021	84.425	S425D200027	N/A	25,000	3/13/20 - 9/30/23						(1,448)		(1,448)		
ESSER-II															
Fiscal Year 2021	84.425	S425D200027	N/A	368,014	3/13/20 - 9/30/23										
Mental Health															
Fiscal Year 2021	84.425	S425D200027	N/A	45,000	3/13/20 - 9/30/23										
Digital Divide															
Fiscal Year 2021	84.377	S377D200027	N/A	192	7/16/20 - 6/30/22					192	(192)				
Total Department of Education						(52,804)			965	280,375	(335,502)		(111,055)	4,089	
<b>U.S. Department of Agriculture</b>															
<b>Passed-through State Department of Education:</b>															
Enterprise Fund:															
Food Distribution Program															
Fiscal Year 2021	10.565	211NJ304N1099	N/A	18,433	7/1/20 - 6/30/21					18,433	(18,433)				
National School Breakfast:															
Fiscal Year 2021	10.553	211NJ304N1099	N/A	105,789	7/1/20 - 6/30/21					101,011	(105,789)		(4,778)		
Fiscal Year 2020	10.553	201NJ304N1099	N/A	15,912	7/1/19 - 6/30/20	(1,093)				1,093					
National School Lunch Program:															
Fiscal Year 2021	10.555	211NJ304N1099	N/A	167,576	7/1/20 - 6/30/21					160,008	(167,576)		(7,568)		
Fiscal Year 2020	10.555	201NJ304N1099	N/A	41,414	7/1/19 - 6/30/20	(1,730)				1,730					
Total Department of Agriculture						(2,823)				282,275	(291,798)		(12,346)		
<b>U.S. Department of Health and Human Services</b>															
<b>Passed-through State Department of Human Services:</b>															
General Fund:															
Medicaid Assistance Program															
Fiscal Year 2021	93.778	2105NJ5MAP	N/A	24,265	7/1/20 - 6/30/21					24,265	(24,265)				
CARES Act - Semi															
Fiscal Year 2021	93.778	2105NJ5MAP	N/A	2,447	7/1/20 - 6/30/21					2,447	(2,447)				
Total Department of Health and Human Services										26,712	(26,712)				
Total Federal Awards						\$ (55,627)	\$ -	\$ -	\$ 965	\$ 589,362	\$ (654,012)	\$ -	\$ (123,401)	\$ 4,089	\$ -

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

**OAKLYN SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Fiscal Year ended June 30, 2021**

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance at June 30, 2020			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Balance at June 30, 2021		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
<b>State Department of Education</b>													
General Fund:													
Equalization Aid	21-495-034-5120-078	\$ 2,163,420	7/1/20- 6/30/21	\$ -	\$ -	\$ -	\$ -	\$ 1,953,590	\$ (2,163,420)	\$ -	\$ (209,830)	\$ -	\$ -
Equalization Aid	20-495-034-5120-078	2,128,979	7/1/19- 6/30/20	(212,368)				212,368			-		
School Choice Aid	21-495-034-5120-068	62,280	7/1/20- 6/30/21					56,240	(62,280)		(6,040)		
School Choice Aid	20-495-034-5120-068	49,361	7/1/19- 6/30/20	(4,924)				4,924			-		
Categorical Special Education Aid	21-495-034-5120-089	275,669	7/1/20- 6/30/21					248,932	(275,669)		(26,737)		
Categorical Special Education Aid	20-495-034-5120-089	275,669	7/1/19- 6/30/20	(27,498)				27,498			-		
Categorical Transportation Aid	21-495-034-5120-014	16,236	7/1/20- 6/30/21					14,661	(16,236)		(1,575)		
Categorical Transportation Aid	20-495-034-5120-014	16,236	7/1/19- 6/30/20	(1,620)				1,620			-		
Categorical Security Aid	21-495-034-5120-084	48,228	7/1/20- 6/30/21					43,550	(48,228)		(4,678)		
Categorical Security Aid	20-495-034-5120-084	48,228	7/1/19- 6/30/20	(4,811)				4,811			-		
Extraordinary Special Education Aid	21-495-034-5120-044	131,187	7/1/20- 6/30/21					5,991	(131,187)		(125,196)		
Extraordinary Special Education Aid	20-495-034-5120-044	59,806	7/1/19- 6/30/20	(59,806)				59,806			-		
Homeless Tuition Aid	21-495-034-5120-005	13,055	7/1/20- 6/30/21						(13,055)		(13,055)		
On-behalf TPAF Pension Contribution	21-495-034-5094-002	486,581	7/1/20- 6/30/21					486,581	(486,581)		-		
On-behalf TPAF Post Retirement Medical	21-495-034-5094-001	152,487	7/1/20- 6/30/21					152,487	(152,487)		-		
On-behalf TPAF LTDI	21-495-034-5094-004	208	7/1/20- 6/30/21					208	(208)		-		
Reimbursed TPAF Social Security Contr.	21-495-034-5094-003	151,090	7/1/20- 6/30/21					143,932	(151,090)		(7,158)		
Reimbursed TPAF Social Security Contr.	20-495-034-5094-003	143,088	7/1/19- 6/30/20	(7,137)				7,137			-		
<b>Total General Fund</b>				<b>(318,164)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,424,336</b>	<b>(3,500,441)</b>	<b>-</b>	<b>(394,269)</b>	<b>-</b>	<b>-</b>
<b>Debt Service Fund</b>													
Debt Service Aid Type II	21-495-034-5120-017	72,882	7/1/20- 6/30/21					\$ 72,882	\$ (72,882)				
<b>Special Revenue Fund:</b>													
Preschool Expansion Aid	21-495-034-5120-086	866,518	7/1/20- 9/30/21				61,290	731,751	(803,758)		(73,477)	62,760	
Preschool Expansion Aid	20-495-034-5120-086	889,687	7/1/19- 9/30/20	(72,246)	61,290	-	(61,290)	72,246			-		
<b>Total Special Revenue Fund</b>				<b>(72,246)</b>	<b>61,290</b>	<b>-</b>	<b>-</b>	<b>803,997</b>	<b>(803,758)</b>	<b>-</b>	<b>(73,477)</b>	<b>62,760</b>	<b>-</b>
<b>State Department of Agriculture</b>													
Enterprise Fund:													
National School Lunch Program:													
Fiscal Year 2021	21-100-010-3350-023	8,114	7/1/20- 6/30/21					6,458	(8,114)		(1,656)		
Fiscal Year 2020	20-100-010-3350-023	1,183	7/1/19- 6/30/20	(301)		-		301			-		
<b>Total Enterprise Fund</b>				<b>(301)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,759</b>	<b>(8,114)</b>	<b>-</b>	<b>(1,656)</b>	<b>-</b>	<b>-</b>
<b>Total State Financial Assistance</b>				<b>\$ (390,711)</b>	<b>\$ 61,290</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,307,974</b>	<b>\$ (4,385,195)</b>	<b>\$ -</b>	<b>\$ (469,402)</b>	<b>\$ 62,760</b>	<b>\$ -</b>
Less: State Financial Expenditures Not Subject to Major Program Determination													
On-Behalf TPAF Contribution - Pension (Non-Budgeted)									486,581				
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)									152,487				
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)									208				
<b>Total State Financial Expenditures Subject to Major Program Determination</b>									<b>\$ (3,745,919)</b>				

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

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

**I. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Oaklyn School District (“School District”). The School District is defined in Note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

**2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**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 the 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 of the 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 June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$2,361 in the general fund and \$239 in the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 26,712	\$ 3,502,802	\$ 3,529,514
Special Revenue	335,502	803,997	1,139,499
Debt Service		72,882	72,882
Food Service	291,798	8,114	299,912
Total	<u>\$ 654,012</u>	<u>\$ 4,387,795</u>	<u>\$ 5,041,807</u>

**Oaklyn School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2021  
(Continued)**

**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.

**5. OTHER**

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

**6. MAJOR PROGRAMS**

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





OAKLYN SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

**State Awards Section**

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable?   yes  X  no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>21-495-034-5120-078</u>	<b>State Aid Public Cluster:</b> <u>Equalization Aid</u>
<u>21-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>21-495-034-5120-084</u>	<u>Security Aid</u>
<u>21-495-034-5094-068</u>	<u>School Choice Aid</u>
<u>21-495-034-5120-086</u>	<u>Preschool Education Expansion Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
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<u> </u>	<u> </u>

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

**Section 2 -- Schedule of Financial Statement Findings**

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

No findings and/or questioned costs identified.

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

**Section 3 -- Schedule of Federal Awards and State Financial Assistance  
Findings and Questioned Costs**

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

**FEDERAL AWARDS:**

A federal single audit was not required.

**STATE AWARDS:**

No findings and/or questioned costs identified.

**OAKLYN SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year audit findings.

**FEDERAL AWARDS**

A federal single audit was not required.

**STATE AWARDS**

There were no prior year audit findings.