

SCHOOL DISTRICT

OF

RUNNEMEDE

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Runnemede Board of Education

Runnemede, New Jersey

For the Fiscal Year Ended June 30, 2021

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

Runnemede Board of Education

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For the Fiscal Year Ended June 30, 2021

Prepared by

Runnemede Board of Education

Finance Department

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OF THE RUNNEMEDE SCHOOL DISTRICT
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Runnemede Board of Education

Dr. Sean McCarron
Business Administrator

24 N. Black Horse Pike, 2nd Floor
Runnemede, NJ 08078
(856) 931-5367 Fax: (856) 931-4446

January 27, 2022

Honorable President and
Members of the Board of Education
Runnemede School District
County of Camden, New Jersey 08078

Dear Board Members:

The Comprehensive Annual Financial Report of the Runnemede Public School District (District) for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the 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 designed 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 comprehensive annual financial report is presented in four sections as follows:

- The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials.
- The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.
- The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State Treasury Circular OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Runnemede Public School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board (GASB) as established by Statement No. 14. All funds of the District are included in this report. The Runnemede Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Preschool through 8. These include comprehensive regular curriculum with appropriate support services, as well as special education for learning disabled/handicapped students. The District completed the 2020-2021 fiscal year with a June enrollment of 837 students. This represents 30 less students than 2019-20. The following table details the changes in the student enrollment of the District over the last ten years.

June 30 Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020-21	837	(3.46)%
2019-20	867	3.21%
2018-19	840	(1.40)%
2017-18	852	.23%
2016-17	850	(.12%)
2015-16	851	(2.18)%
2014-15	870	3.57%
2013-14	840	(1.52)%
2012-13	853	(1.04)%
2011-12	862	1.00%

2. ECONOMIC CONDITION AND OUTLOOK:

While funding has been insufficient with additional state cuts looming, this has been addressed through additional revenue sources and single use federal grant opportunities. The district only took 1% tax levy increase for the 20-21 school year, placing 1% in Banked Cap. Staffing levels remained consistent and the negotiated collective bargaining agreement accounted for an average 3.3% increase for staff.

3. MAJOR INITIATIVES:

The District's consistent focus is successful academic achievement based on instructional improvement. Guided reading continues to be implemented in all grade levels, providing an opportunity to differentiate instruction and meet the needs of individual learners. All of our curriculums are reviewed annually and updated based on guidance from the Department of Education and in coordination with our teachers. Technology, Literacy, and Mathematics are areas we continue to provide job-embedded professional development. Ongoing professional development has been taking place on-site by having consultants push into classrooms to work with teachers and model lessons / best instructional practices.

RTI (Response to Intervention) is fully implemented in grades K-8. We continue to fine tune the program and ensure all staff are trained on the resources we have available. The RTI Model has increased conversations between staff members, students, and parents regarding student interventions available. RTI teachers provide a variety of services between pushing into the classroom and pulling out during the school day.

Technology continues to advance with the continuous upgrade of computer labs and increasing our 1:1 initiative to grades Preschool - 8. All classrooms are equipped with Interactive Boards, and we are continually budgeting to upgrade this equipment. The web-based student information management system, Real-Time, is used again to include communication to families, lesson-planning, staff evaluations, POS for food service, and houses our special education documents.

As a district we are continually trying to improve the resources we are able to provide the students within our community. We have continued to expand our preschool program and are pleased to offer educational learning opportunities at such an impressionable age.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining internal control 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). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. 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 cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2020.

6. 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 basis of funds. These funds are explained in "Notes to the Financial Statements," Note 2.

7. 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 3. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. 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.

9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita and Volpa, Pa. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Runnemede School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the public school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff. We received the complete cooperation from Nightlinger, Colavita & Volpa, P.A. and appreciate the courtesies extended to us.

Respectfully submitted,

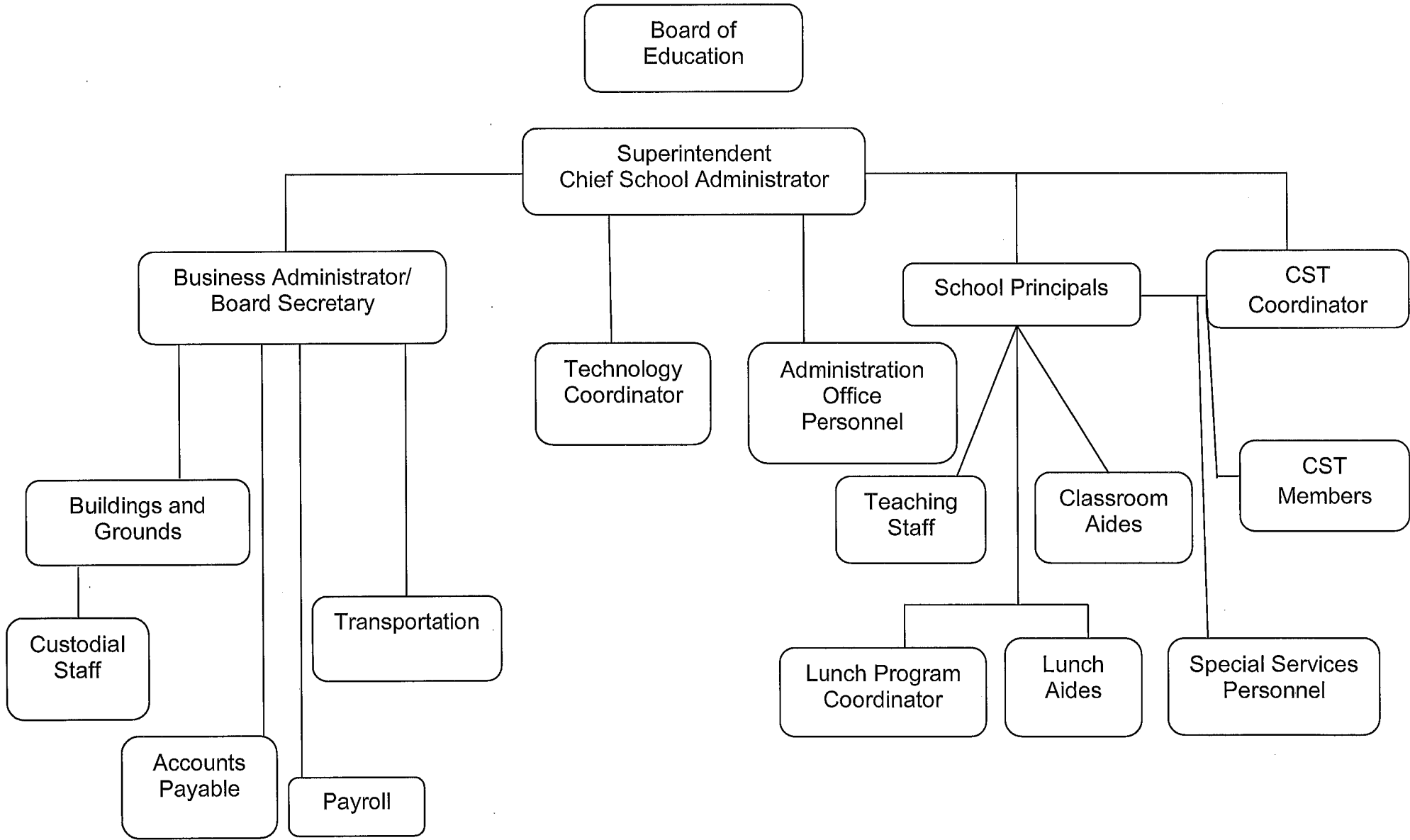
Mark Iannucci

Mark Iannucci, Superintendent

Dr. Sean McCarron

Dr. Sean McCarron, School Business
Administrator

RUNNEMEDE BOARD OF EDUCATION



RUNNEMEDE BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2021

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Samantha Spaulding, President	2021
Dan Murray, Vice President	2023
Charles Buchheim	2021
Angel Beebe	2023
Dennis Leggoe	2023
Barbara Sams	2022
Patricia Adair	2021
Maria Panzarella	2022
Naomi Davidson	2022
<u>OTHER OFFICIALS</u>	<u>BOND AMOUNT</u>
Mark Iannucci, Superintendent	
Dr. Sean R. McCarron, Board Secretary / Business Administrator	\$ 50,000
Alyse Dvorak, District Accountant	
Christie Ehret, Treasurer	200,000
Derlys Gutierrez, Solicitor	

**RUNNEMEDE BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

ARCHITECT

Garrison Architects
1400 F Commerce Parkway
Mount Laurel, NJ 08054

AUDIT FIRM

Raymond Colavita, CPA, RMA, PSA
Nightlinger, Colavita and Volpa, PA
P.O. Box 799
Williamstown, NJ 08094

ATTORNEY

Adams, Stern, Gutierrez & Lattiboudere, LLC
744 Broad Street
Suite 1600
Newark, NJ 07102

OFFICIAL DEPOSITORY

PNC Bank
Glendora, NJ 08029

INSURANCE AGENCY

The Barclay Group
202 Broad Street, P.O. Box 244
Riverton, NJ 08077

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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Williamstown, NJ 08094

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Runnemede School District
County of Camden, New Jersey 08078

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Runnemede 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 Runnemede School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Runnemede Board of Education 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 year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 23 to the basic financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities, during the fiscal year ended June 30, 2021. Our 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 and schedules related to accounting and reporting for pensions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2022 on our consideration of the Runnemedede Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Runnemedede Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Runnemedede School District's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
January 27, 2022

REQUIRED SUPPLEMENTARY INFORMATION – PART I

RUNNEMEDE SCHOOL DISTRICT
BOROUGH OF RUNNEMEDE

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

UNAUDITED

As management of the Runnemede Public School District, we offer readers of the financial statements this overall review of the School District's financial activities for the fiscal year ended June 30, 2021. While the intent of this discussion and analysis is to look at the School District's financial performance as a whole, readers should also review the notes to the financial statements in conjunction with other sections of the CAFR, in order to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- ❖ The assets of the School District exceeded its liabilities at the close of the fiscal year ended June 30, 2021, by \$6,785,774. This amount represents Net Position, which increased by \$948,636 from the previous year-end.
- ❖ Total net position of governmental activities totaled \$6,722,923.
- ❖ General revenues, net of adjustments, accounted for \$17,176,814 in revenue or 82.5% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions accounted for \$3,655,093 or 17.5% of \$20,831,907 in total revenues.
- ❖ The School District had \$19,851,159 in program expenses. These expenses were offset by program specific charges for services, grants or contributions of \$3,655,093, as mentioned above in arriving at the \$16,228,613 in net governmental activity expenses of the District. General revenues comprising property taxes of \$7,541,121, federal and state aid of \$9,464,578 and other miscellaneous revenues and adjustments of \$163,161 were adequate to provide for the governmental programs maintained by the school.
- ❖ The General Fund had \$16,203,412 in revenues, \$15,460,501 in expenditures and a decrease of \$189,208 in other financing uses. The General Fund's balance decreased by \$553,703 from 2020, along with a prior period adjustment of \$129,942, related to recognition of GASB #84. This decrease was anticipated by the Board of Education and was attributed to appropriating matching funds for the capital projects approved with state aid.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2021?” The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

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

- ❖ **Governmental Activities** – All of the School District’s programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. There are three school buildings maintained by the District, which are the Bingham Elementary School, the Downing Elementary School, and the Volz Middle School.
- ❖ **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

The analysis of the School District’s major (all) funds begins on page 23. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

Governmental Funds

The School District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Governmental Funds (Continued)

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The Food Service Fund is the only Enterprise Fund maintained by the District.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole, which includes the Business-type Activities.

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

Table 1
Net Position

	2021	2020
Assets		
Current and Other Assets	\$ 3,117,270	\$ 2,626,137
Capital Assets, Net	8,662,379	8,114,920
Total Assets	11,779,649	10,741,057
Deferred Pension Outflow	985,387	1,138,012
Liabilities		
Long-term Liabilities	4,144,562	4,342,693
Other Liabilities	208,209	282,626
Total Liabilities	4,352,771	4,625,319
Deferred Pension Inflows	1,626,491	1,573,071
Net Position		
Invested in Capital Assets, Net of De	8,662,379	8,114,920
Restricted	2,499,089	1,969,265
Unrestricted (Deficit)	(4,375,694)	(4,403,506)
Total Net Position	\$ 6,785,774	\$ 5,680,679

Table 2 shows the changes in net position from fiscal year's 2021 and 2020.

Table 2
Changes in Net Position

	2021	2020
Revenues		
Programs Revenues		
Charges for Services	\$ 132,282	\$ 319,066
Operating Grants and Contributions	3,522,811	2,698,120
General Revenues		
Property Taxes	7,541,121	7,466,456
Grants and Entitlements	9,464,578	6,932,666
Other	171,115	85,392
Total Revenues	20,831,907	17,501,700
Program Expenses		
Instruction	6,189,052	6,254,951
Support Services		
Tuition	223,339	505,589
Pupils and Instructional Staff	2,347,148	2,148,367
General Administration, School		
Administration, Business	1,111,752	1,078,586
Operations and Maintenance of Facilities	1,120,165	1,159,199
Pupil Transportation	159,796	264,587
Unallocated Employee Benefits	7,819,341	5,355,079
Enterprise Funds	534,693	636,584
Other	377,985	338,140
Total Expenses	19,883,271	17,741,082
Decrease in Net Position	\$ 948,636	\$ (239,382)

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Of the District's \$20,831,907 in total governmental revenues for the fiscal year ended June 30, 2021, property taxes made up 36.2% of the revenues raised for governmental activities. Federal, state, and local grants accounted for another 62.3% and other revenues including adjustments made up 1.5%. The total cost of all program and services was \$19,883,271 of which the net amount spent on governmental activities was \$16,228,613. Of this amount, instruction comprised 30%.

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- ❖ Food service revenues exceeded expenses by \$20,020 and Before and After Care revenue exceeded expenses by \$12,527.
- ❖ A subsidy from the General Fund to the food service fund was not required during the current year, as the food service operation completed the current school year with a positive net position. The District, therefore, identified the means to bring the food service cost of the District under control.
- ❖ Charges for services in the Food Service Fund represent \$2,418 of revenue. This represents the amount paid by patrons for daily food services for, representing .5% of the \$449,361 in total revenue in the Food Service Fund, as a result of the pandemic. The Before and After Care program had \$117,879 in charges to patrons, which was not sufficient to fund expenditures.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities, were \$446,943 which represents 99.5% of the revenue.

Governmental Activities

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

Table 3

	<u>Total Cost of Service 2021</u>	<u>Net Cost of Service 2021</u>	<u>Total Cost of Service 2020</u>	<u>Net Cost of Service 2020</u>
Instruction	\$ 6,189,052	\$ 4,863,695	\$ 6,254,951	\$ 5,162,457
Support Services				
Tuition	223,339	223,339	505,589	505,589
Pupils and Instructional Staff	2,347,148	1,776,387	2,148,367	1,876,000
General Administration, School				
Administration, Business	1,111,752	1,111,752	1,078,586	1,078,586
Operation and Maintenance of Facilities	1,120,165	1,120,165	1,159,199	1,159,199
Pupil Transportation	159,796	159,796	264,587	264,587
Employee Benefits	7,819,341	6,627,606	5,355,079	4,275,364
Other	345,873	345,873	338,140	338,140
Total Expenses	<u>\$ 19,316,466</u>	<u>\$ 16,228,613</u>	<u>\$ 17,104,498</u>	<u>\$ 14,659,922</u>

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

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

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

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

Extracurricular activities includes expenses related to student activities provided by the School District which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

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

Other includes unallocated depreciation and amortization.

The School District's Funds

Information about the School District's major funds starts on page 23. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$18,095,733 and expenditures of \$17,653,887. The net change in fund balance for the year was \$566,195, which included a transfer to charter schools of \$32,112 and a prior period adjustment of \$156,460, related to the implementation of GASB #84. The School District is able to meet current operating costs with no urgent need for additional funds.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds (excluding capital projects and permanent fund expenditures) for the fiscal year ended June 30, 2021, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent Increase/ (Decrease)</u>
Local Sources	\$ 7,718,165	42.65%	\$ 184,624	2.45%
State Sources	9,572,205	52.90%	507,089	6.28%
Federal Sources	805,363	4.45%	314,354	61.18%
Total	<u>\$ 18,095,733</u>	<u>100.00%</u>	<u>\$ 1,006,067</u>	<u>6.24%</u>

The increase in Local Sources is attributed to an increase in the local tax levy of \$74,665, miscellaneous revenue of \$128,287, offset by decreases in interest earned of \$16,288 and tuition income of \$2,040.

The increase in State Sources is attributed to increases in general fund state aid of \$569,512, offset by less grants for special projects of \$62,423.

The decrease in Federal Sources is attributed to decreases in various grant awards of \$314,354.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2021.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent Increase/ (Decrease)</u>
Current:				
Instruction	\$ 6,183,144	35.0%	\$ (68,084)	-1.2%
Undistributed Expenditures	10,542,708	59.7%	205,508	2.1%
Capital Outlay	928,035	5.3%	(9,866)	-0.9%
Total	\$ 17,653,887	100.0%	\$ 127,558	0.8%

The decrease in Current – Instruction is attributed to increases in regular instruction of \$11,966 and special education instruction of \$7,021, offset by other education instruction of \$87,071.

The increase in Current – Undistributed Expenditures is attributed to increases in student related services of \$198,781, pupil transportation of \$401,208, and administrative costs of \$31,031, offset by decreases in employee benefits of \$104,791, district tuition of \$282,250, and pupil transportation of \$38,471.

The decrease in capital outlay of \$9,866 includes various differences in equipment expenditures.

There were no debt service payments, as the remaining debt was paid off in the 2013-14 school year.

General Fund Budgeting Highlights

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

During the course of the fiscal year 2021, the School District amended its General Fund budget as needed. The School District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

Some of the normal budgetary situations requiring attention during the year are:

- ❖ Staffing changes based on student needs.
- ❖ Additional costs for student transportation both in regular education and special education.
- ❖ Accounting changes in maintenance and operations
- ❖ Changes in appropriations to prevent budget overruns.

While the District's final budget for the general fund normally plans to anticipate revenues, including surplus appropriated that would roughly equal expenditures, the actual results for the year show an actual decrease in fund balance of \$568,305, along with a prior period adjustment of \$129,942 related to recognition of GASB #84. This result included a transfer to a Charter School of \$32,112, a transfer to the Pre-school program and a transfer from the Capital Projects fund of \$118,904.

- ❖ Actual revenues were \$36,733 higher than expected, (excluding On-Behalf pension and social security state aid of \$2,504,310), due to local source revenue of \$133,518 and an increase in Medicaid of \$45,865, offset by less other state aid of \$142,650.
- ❖ The actual expenditures were \$1,906,885 lower than expected, (excluding On-Behalf pension and social security state aid of \$2,504,310), due to positive variances in Instructional expenses of \$265,826, Tuition costs of \$286,661, Pupil and staff support costs of \$212,192, administrative costs of \$222,398, Plant and Maintenance costs of \$240,809, Transportation costs of \$145,933, Employee Benefits of \$451,586, and capital outlay of \$81,480.

Capital Assets

At the end of the fiscal year 2021 the School District had \$8,662,379 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2021 balances compared to 2020.

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

	<u>2021</u>	<u>2020</u>
Land	\$ 29,083	\$ 29,083
Work in Progress		
Site Improvements	468,946	470,453
Building and Improvements	7,661,610	7,165,732
Equipment	502,740	449,652
Totals	<u>\$ 8,662,379</u>	<u>\$ 8,114,920</u>

Overall capital assets increased by \$547,459 from fiscal year 2020 to fiscal year 2021. Increases were \$25,740 in other site improvements, \$833,526 in building and building improvements and \$101,238 in equipment, offset by depreciation expense of \$413,045.

Debt Administration

At June 30, 2021, the School District had \$4,144,562 as outstanding debt, of which \$616,055 was for compensated absences, including \$18,113 in the enterprise fund and Net Pension Liabilities were \$3,510,394.

At June 30, 2021, the School District's overall legal debt margin was \$15,937,881, all of which constitutes unvoted debt permitted by statute.

For the Future

The Runnemede School District is presently in good financial condition. The Board of Education holds their annual school board election in November annually and agreed to a tax levy of zero percent for the 21-22 school year. While this has not been done previously, the board was able to do this with the additional federal funding provided through the pandemic.

It is the responsibility of the governing body to make decisions that are consistently centered on student achievement and preservation of the asset while remaining mindful of the taxpayer. The District will continue to pursue new ways to decrease spending where possible to ensure that funding is adequate to ensure attainment of the goal of quality educational programs for its students. This will be accomplished by maintaining exemplary practices in financial planning, budgeting and maintaining financial controls that are in accordance with state statutes and guidelines.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the Money it receives. If you have questions about this report or need additional information contact, Dr. Sean McCarron, Business Administrator/Board Secretary at Runnemede Board of Education, 24 N. Black Horse Pike, 2nd Floor, Runnemede, New Jersey 08078.

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 581,762	\$ -	\$ 581,762
Receivables, Net	336,789	32,279	369,068
Interfund Receivable	1,507		1,507
Restricted Assets:			
Cash and Cash Equivalents	2,153,897		2,153,897
Inventory		11,036	11,036
Capital Assets, Net (Note 5):	8,614,874	47,505	8,662,379
Total Assets	<u>11,688,829</u>	<u>90,820</u>	<u>11,779,649</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	<u>985,387</u>		<u>985,387</u>
LIABILITIES			
Accounts Payable	52,111	2,418	54,529
Other Liabilities	62,946	1,507	64,453
Unearned Revenue	83,296	5,931	89,227
Non-current Liabilities (Note 6):			
Due Within One Year	5,980		5,980
Due Beyond One Year	4,120,469	18,113	4,138,582
Total Liabilities	<u>4,324,802</u>	<u>27,969</u>	<u>4,352,771</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows	<u>1,626,491</u>		<u>1,626,491</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	8,614,874	47,505	8,662,379
Restricted for:			
Capital Reserve	1,325,000		1,325,000
Maintenance Reserve	692,428		692,428
Unemployment Compensation	136,469		136,469
Student Activities	13,534		13,534
Excess Surplus	191,709		191,709
Unrestricted (Deficit)	(4,251,091)	15,346	(4,235,745)
Total Net Position	<u>\$ 6,722,923</u>	<u>\$ 62,851</u>	<u>\$ 6,785,774</u>

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

**RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE 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	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 4,880,096	\$	\$ 1,325,357	\$ (3,554,739)	\$	\$ (3,554,739)
Special Education	994,013			(994,013)		(994,013)
Other Instruction	314,943			(314,943)		(314,943)
Support Services:						
Tuition	223,339			(223,339)		(223,339)
Student & Instruction Related Services	2,347,148	11,985	558,776	(1,776,387)		(1,776,387)
General and Business Administrative Service	470,555			(470,555)		(470,555)
School Administrative Services	377,997			(377,997)		(377,997)
Central Services	244,594			(244,594)		(244,594)
Admin Info Tech	18,606			(18,606)		(18,606)
Plant Operations and Maintenance	1,120,165			(1,120,165)		(1,120,165)
Pupil Transportation	159,796			(159,796)		(159,796)
Employee Benefits	7,819,341		1,191,735	(6,627,606)		(6,627,606)
Unallocated Depreciation	345,873			(345,873)		(345,873)
Total Governmental Activities	19,316,466	11,985	3,075,868	(16,228,613)		(16,228,613)
Business-type Activities:						
Food Service	429,341	2,418	446,943		20,020	20,020
Before and After Care	105,352	117,879			12,527	12,527
Total Business-type Activities	534,693	120,297	446,943		32,547	32,547
Total Primary Government	\$ 19,851,159	\$ 132,282	\$ 3,522,811	\$ (16,228,613)	\$ 32,547	\$ (16,196,066)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$ 7,541,121		\$ 7,541,121
Federal, State and Local Aid Not Restricted				9,464,578		9,464,578
Tuition and Transportation Fees from other LEA'S				13,901		13,901
Investment Earnings				699	\$ 18	717
Miscellaneous Income				162,444		162,444
Fixed Asset Adjustment					(5,947)	(5,947)
Transfers - To Charter School				(32,112)		(32,112)
Total General Revenues, Special Items, Extraordinary Items and Transfers				17,150,631	(5,929)	17,144,702
Change in Net Position				922,018	26,618	948,636
Net Position—Beginning				5,644,445	36,233	5,680,678
Prior Period Adjustment				156,460		156,460
				5,800,905	36,233	5,837,138
Net Position—Ending				\$ 6,722,923	\$ 62,851	\$ 6,785,774

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

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

RUNNEMEDE BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 503,957	\$ 44,174	\$	\$ 548,131
Restricted Cash and Cash Equivalents	2,153,897			2,153,897
State Aid Receivable	324,165			324,165
Federal Aid Receivable		9,844		9,844
Interfund Receivable	35,138			35,138
Other Receivables	2,780			2,780
Total Assets	\$ 3,019,937	\$ 54,018	\$	\$ 3,073,955
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 41,392	\$	\$	\$ 41,392
Reserve for Flexible Spending	10,719			10,719
Due to State of New Jersey		62,946		62,946
Unearned Revenue	790	82,506		83,296
Total Liabilities	52,901	145,452		198,353
Fund Balances:				
Restricted For:				
Excess Surplus	41,709			41,709
Excess Surplus - Designated for				
Subsequent Year's Expenditures	150,000			150,000
Maintenance Reserve Account	692,428			692,428
Capital Reserve Account	300,000			300,000
Capital Reserve Designated for				
Subsequent Year's Expenditures	1,025,000			1,025,000
Reserve for Unemployment	136,469			136,469
Student Activities		13,534		13,534
Assigned To:				
Year-End Encumbrances	16,955			16,955
Designated for Subsequent Year's Expenditures	536,955			536,955
Unassigned, Reported In:				
General Fund Balance (Deficit)	67,520			67,520
Special Revenue Fund Balance (Deficit)		(104,968)		(104,968)
Total Fund Balances (Deficit)	2,967,036	(91,434)		2,875,602
Transfer from Enterprise Fund	\$ 3,019,937	\$ 54,018	\$	

Amounts reported for *governmental activities* in the Statement of Net Assets (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 \$13,663,643 and the accumulated depreciation is \$5,048,769 (See Note 6)	8,614,874
Deferred Outflow of Resources - Deferred Pension Contribution.	985,387
Deferred Inflows of Resources - Pension Actuarial Gains.	(1,626,491)
Long Term Net Pension Liability	(3,510,394)
Long-term liabilities, including bonds payable and Compensated Absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6).	(616,055)
Net Position of Governmental Activities	\$ 6,722,923

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

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	\$ 7,541,121	\$	\$	\$ 7,541,121
Tuition from Other LEAS	13,901			13,901
Interest Earned on Investments	158			158
Interest Earned on Capital Reserve Funds	262			262
Interest Earned on Maintenance Reserve Funds	279			279
Local Sources		11,985		11,985
Miscellaneous	150,459			150,459
Total - Local Sources	7,706,180	11,985		7,718,165
State Sources	8,412,945	1,159,260		9,572,205
Federal Sources	84,287	721,076		805,363
Total Revenues	16,203,412	1,892,321		18,095,733
EXPENDITURES				
Current:				
Regular Instruction	3,548,831	1,325,357		4,874,188
Special Education Instruction	994,013			994,013
Other Instruction	314,943			314,943
Support Services:				
Tuition	223,339			223,339
Student & Instruction Related Services	1,788,372	558,776		2,347,148
General Administrative Services	449,872			449,872
School Administrative Services	377,997			377,997
Central Services	244,594			244,594
Admin Info Tech	18,606			18,606
Plant Operations and Maintenance	1,101,390			1,101,390
Pupil Transportation	140,372			140,372
Employee Benefits	5,389,390	250,000		5,639,390
Capital Outlay	868,782	59,253		928,035
Total Expenditures	15,460,501	2,193,386		17,653,887
Excess (Deficiency) of Revenues Over Expenditures	742,911	(301,065)		441,846
OTHER FINANCING SOURCES (USES)				
Transfer from Capital Projects Fund	118,904		(118,904)	
Transfer to Preschool Program	(276,000)	276,000		
Transfers to Charter School	(32,112)			(32,112)
Total Other Financing Sources and Uses	(189,208)	276,000	(118,904)	(32,112)
Net Change in Fund Balances	553,703	(25,065)	(118,904)	409,734
Fund Balance—July 1	2,283,391	(92,887)	118,904	2,309,408
Prior Year Adjustment	129,942	26,518		156,460
Fund Balance—July 1 Restated	2,413,333	(66,369)	118,904	2,465,868
Fund Balance—June 30 (Deficit)	\$ 2,967,036	\$ (91,434)	\$ -	\$ 2,875,602

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

RUNNEMEDE BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 409,734

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

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

Depreciation expense	\$ (410,663)	
Fixed Asset Adjustment		
Capital outlays	928,035	
	517,372	517,372

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and differed inflows/outflows related to pension changed during the period. (14,788)

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). 9,700

Change in Net Position of Governmental Activities (A-2) \$ 922,018

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

PROPRIETARY FUNDS

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-type Activities - Enterprise Funds		
	Food Service	Before and After Care	Totals
ASSETS			
Current Assets:			
Cash	\$ 19,298	\$ 14,333	\$ 33,631
Accounts Receivable	30,859	1,420	32,279
Inventory	11,036		11,036
Total Current Assets	<u>61,193</u>	<u>15,753</u>	<u>76,946</u>
Fixed Assets:			
Equipment	54,344		54,344
Accumulated Depreciation	(6,839)		(6,839)
Total Fixed Assets	<u>47,505</u>		<u>47,505</u>
Total Assets	<u>108,698</u>	<u>15,753</u>	<u>124,451</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	1,874	544	2,418
Interfund Payable	35,138	-	35,138
Unearned Revenue	4,402	1,529	5,931
Total Current Liabilities	<u>41,414</u>	<u>2,073</u>	<u>43,487</u>
Non-Current Liabilities			
Compensated Absences	12,465	5,648	18,113
Total Liabilities	<u>53,879</u>	<u>7,721</u>	<u>61,600</u>
NET POSITION:			
Invested in Capital Assets Net of Related Debt	47,505		47,505
Unrestricted	7,314	8,032	15,346
Total Net Position	<u>\$ 54,819</u>	<u>\$ 8,032</u>	<u>\$ 62,851</u>

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

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Fund		
	Food Service	Before and After Care	Total Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ -	\$ -	\$ -
Daily Sales - Non-Reimbursable Programs	2,418		2,418
Program Fees		117,879	117,879
Total Operating Revenue:	2,418	117,879	120,297
Operating Expenses:			
Salaries	109,576	84,649	194,225
Employee Benefits	1,074		1,074
Supplies and Materials	33,952	9,263	43,215
Building Usage	60,000	10,000	70,000
Cost of Sales - Reimbursable Programs	219,705		219,705
Cost of Sales - Non Reimbursable Programs	641		641
Depreciation	2,060		2,060
Other	2,333	1,440	3,773
Total Operating Expenses	429,341	105,352	534,693
Operating Income (Loss)	(426,923)	12,527	(414,396)
Non-operating Revenues (Expenses):			
State Sources:			
State School Lunch Program	10,735		10,735
Federal Sources:			
National School Lunch Program	260,111		260,111
National School Breakfast Program	163,292		163,292
Food Distribution Program	12,805		12,805
Interest	18		18
Total Non-operating Revenues (Expenses)	446,961		446,961
Income (Loss) Before Contributions & Transfers	20,038	12,527	32,565
Fixed Asset Adjustment	(5,947)		(5,947)
Change in Net Position	14,091	12,527	26,618
Total Net Position—Beginning	40,728	(4,495)	36,233
Total Net Position—Ending	\$ 54,819	\$ 8,032	\$ 62,851

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

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities		
	Enterprise Funds		
	Food Service	Before and After Care	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 2,418	\$ 117,879	\$ 120,297
Payments to Employees	(110,650)	(83,119)	(193,769)
Payments to Suppliers	(275,880)	(25,507)	(301,387)
Net Cash Provided by (used for) Operating Activities	(384,112)	9,253	(374,859)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	10,735		10,735
Federal Sources	423,403		423,403
Net Cash Provided by (used for) Non-capital Financing Activities	434,138		434,138
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of Capital Assets	(2,956)		(2,956)
Transfer to General Fund for Purchase of Fixed Asset	(35,138)		(35,138)
Net Cash Provided by (used for) Capital and Related Financing Activities	(38,094)		(38,094)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends	18		18
Net Cash Provided by (used for) Investing Activities	18		18
Net Increase (Decrease) in Cash and Cash Equivalents	11,950	9,253	21,203
Balances—Beginning of Year	7,348	5,080	12,428
Balances—End of Year	\$ 19,298	\$ 14,333	\$ 33,631
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$ (426,923)	\$ 12,527	\$ (414,396)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities			
Depreciation and Net Amortization	2,060		2,060
Food Distribution Program	12,805		12,805
(Increase)/Decrease in Accounts Receivable, Net	19,845	2,677	22,522
(Increase)/Decrease in Inventory	(8,347)		(8,347)
Increase/(Decrease) in Interfund Payable	28,709	(2,000)	26,709
Increase/(Decrease) in Accounts Payable	(3)	544	541
Increase/(Decrease) in Deferred Revenue	(253)	(6,025)	(6,278)
Increase/(Decrease) in Compensated Absences	(12,005)	1,530	(10,475)
Total Adjustments	42,811	(3,274)	39,537
Net Cash Provided by (used for) Operating Activities	\$ (384,112)	\$ 9,253	\$ (374,859)

Noncash Noncapital Financing Activities:

During the year, the District received \$12,805 of Food Commodities from the U. S. Department of Agriculture

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

A. Description of Reporting Entity:

The Borough of Runnemede School District (School District) is a Type II School District located in the County of Camden, State of New Jersey and covers an area of approximately two square miles. As a Type II School District, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for all of Runnemede's students in grades K through 8. Student in grades 9 through 12 attend the Black Horse Pike Regional High School District. The Runnemede School District has an approximate enrollment at June 30, 2021 of 837 students.

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

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

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards:

The School District has adopted the following GASB statements:

- GASB No. 84 - *Fiduciary Activities*: The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of Statement will be effective for reporting periods beginning after December 15, 2019. The adoption of GASB 84 will impact the financial statements of the School District.
- GASB Statement - No. 90 - *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The adoption of GASB 90 did not impact the financial statements of the School District.

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

- GASB No. 87 - *Leases*: The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of Statement will be effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 87 on the School District's financial statements.
- GASB No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*: The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management is evaluating the potential impact of the adoption of GASB 89 on the School District's financial statements.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards:

- GASB 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. Management is evaluating the potential impact of the adoption of GASB 91 on the School District's financial statements.
- GASB Statement - No. 92 – *Omnibus 2020*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 92 on the School District's financial statements.
- GASB Statement - No. 93 – *Replacement of Interbank Offered Rates*: The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 93 on the School District's financial statements.
- GASB 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. Management is evaluating the potential impact of the adoption of GASB 94 on the School District's financial statements.
- GASB 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). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is evaluating the potential impact of the adoption of GASB 96 on the School District's financial statements.
- GASB Statement - No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*: The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans); and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans). The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 97 on the School District's financial statements.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

A. Basis of Presentation:

The financial statements of the Board of Education (Board) of the Runnemeade School District (District) have been prepared in conformity with generally accepted accounting principles (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 School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989 to its governmental funds, provided that they do not conflict with or contradict GASB pronouncements. The more significant of the Board's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB), unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This Statement provides for the most significant change in financial reporting over twenty years and was scheduled for a phase-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments).

In addition, the School District has implemented GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus*, Statement No. 38, *Certain Financial Statement Note Disclosures* and GASB No. 54 *Fund Balance Reporting and Governmental Fund Type Descriptions*.

The District's basic financial statements consist of District-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.

District-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.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

A. Basis of Presentation (Cont'd):

District-Wide Statements

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. Eliminations have been made to minimize the double counting of internal activities. 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 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. 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 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.

B. Fund Accounting:

The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

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 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:

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

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 states 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 the proceeds of specific revenues from the State and Federal Government, other than major capital projects, debt service, or the enterprise funds and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by Proprietary Funds. The financial resources are derived from 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. The School District has open receivables for three completed NJSDA Projects in the Capital Projects Fund.

Debt Service Fund- The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general-long-term debt principal, interest and related costs.

Permanent Fund- The Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the School District's programs, that is, for the benefit of the school district or its students. The School District does not maintain a Permanent Fund.

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 - These funds are used to account for operations:

That are financed 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.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

GOVERNMENTAL FUNDS(Cont'd)

Food Service Fund - The School District's only enterprise funds are the Food Service Fund, which 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 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:

Food Service Fund Equipment	12 Years
Light Trucks and Vehicles	4 Years

FIDUCIARY FUNDS - Fiduciary Fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose 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 following is a description of the Fiduciary Funds of the School District:

Trust and Agency Funds- The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Expendable Trust Fund- An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Unemployment Compensation Insurance Fund is an Expendable Trust Fund.

Nonexpendable Trust Fund- A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District does not maintain a Nonexpendable Trust Fund.

Agency Funds- Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Measurement Focus:

District-Wide Financial Statements - Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-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, with the exception of the Fiduciary Funds.

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 Balance 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 District-Wide financial statements are prepared. Governmental Fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the District-Wide statements and the statements for governmental funds.

Like the District-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. The Statement of Changes in Fund Net Position presents increases (i.e. revenues) and decreases (i.e. expenses) in net 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.

D. Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. District-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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means 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 District, available means within sixty days of the 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".

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Basis of Accounting (Cont'd):

Revenues – Exchange and Non-exchange Transactions (Cont'd):

With the exception of the 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 and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the resources are provided to the School District on a reimbursement basis. The restricted formula aids (i.e. Demonstrably Effective Program Aid and Instructional Supplement Program Aid) are recorded in the special revenue fund in accordance with the Audit Program promulgated by the New Jersey Department of Education which requires that these grants be realized in an amount equal to program expenditures.

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.

E. Lease Acquisition Costs:

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2021.

F. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any.

Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2 (f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

F. Budgets/Budgetary Control (Cont'd):

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 generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund, as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

Exhibit C-3 presents a reconciliation of the general fund 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 the modified accrual basis, with the exception of the recognition policy for the last state aid payment.

G. Encumbrance Accounting:

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

Open encumbrances in the special revenue fund, for which the School District has received advances, are reflected in the balance sheet as unearned revenues at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

H. Cash, Cash Equivalents and Investments:

Cash and cash equivalents include petty cash, change funds, cash in banks and highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest.

Investments are stated at cost, or amortized cost, which approximates market. The Board classifies U.S. Treasury with Agency obligations and certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments state at cost. All other investments would be stated at fair value.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

H. Cash, Cash Equivalents and Investments (Cont'd):

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date no greater than twelve months from the date of purchase.
- c. Bonds of other obligations of the School District.

School Districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund. as of June 30, 2021 the District had no funds on deposit with the New Jersey Cash Management.

Deposits:

N.J.S.A. 17:9-41, et seq. establishes requirements for the security of deposits of governmental units. The statutes require that School Districts deposit public funds in public depositories secured in accordance with the Governmental Unit Deposit Protection Act, which is a multiple financial institution collateral pool enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office on the state of New Jersey, the deposits of which are federally insured.

H. Cash, Cash Equivalents and Investments (Cont'd):

All public depositories must pledge collateral, having a market value at least equal to 5% of the average daily balance of collected public funds on deposit, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to Governmental Units.

The School District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the Governmental Unit Deposit Protection Act and approves a list of authorized depository institutions based on an evaluation of solicited responses and presentation of GUDPA certifications provided by the financial institutions.

I. 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.

J. Tuition Payable:

Tuition charges for the fiscal years ended June 30, 2021, 2020 and 2019 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

K. Inventories:

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.

On District-Wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expensed when used.

The Food Service inventory as of June 30, 2021 consisted of \$6,700 in purchased food, \$35 in commodity food and \$4,301 in supplies for a total of \$11,036.

L. Prepaid Expenses:

Prepaid expenses recorded on the District-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. This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

M. 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 interfund receivable and/or interfund payable.

N. Restricted Assets:

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws of other governments or imposed by enabling legislation. Restricted assets include bond proceeds to be used for capital construction and amounts set aside to create a reserve for future capital projects.

O. Deferred Charges - Bond Issue Costs:

On the District-wide financial statements, bond issue costs were previously deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. In governmental funds, these costs are reported as expenditures when the related liability is incurred. Unearned revenue arises when assets are received or recognized before the appropriate revenue recognition criteria have been satisfied. Beginning after the 2013-14 year the District will expense bond issue costs when incurred.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

P. 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 District-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 District-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 year. Donated fixed assets are valued at their estimated 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 repairs and maintenance that do not add to the value of the asset or materially extend 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.

Capital assets are depreciated in the District-wide financial statements using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
School Buildings	50 Years	N/A
Building Improvements	40-50 Years	N/A
Site Improvements	20 Years	N/A
Machinery and Equipment	5-20 Years	12 Years

Q. Unearned Revenue:

Unearned revenue arises when assets are received or recognized before the appropriate revenue recognition criteria have been satisfied. This includes expenditure encumbrances in special revenue fund.

R. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund

S. 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". 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 not contingent on a specific event 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 District-Wide financial statements.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

S. Compensated Absences (Cont'd):

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.

T. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities, and long-term obligations are reported on the district-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, contractually required pension contributions, special termination benefits and compensated absences 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.

U. Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

V. Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation for expenditures. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, legally restricted appropriations, excess surplus and capital reserve program.

W. Interfund Activity:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented on the financial statements.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

X. Management Estimates:

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

Y. Allocation of Indirect Expenses:

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are not reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Z. Extraordinary and Special Items:

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

AA. Comparative Data/Reclassifications:

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

As of June 30, 2021, cash and cash equivalents in the fund financial statements of the District consisted of the following:

		<u>Cash and</u>
		<u>Equivalents</u>
Checking Accounts	\$	2,735,659
Cash with Fiscal Agent		
		2,735,659
Total	\$	2,735,659

Custodial Credit Risk- Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be recovered. Although the District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. The District does not place a limit on the amount that may be invested in any one issuer. As of June 30, 2021, the District's bank balance of \$3,095,555 was insured or collateralized as follows:

Insured by Depository Insurance	\$	250,000
Uninsured and collateralized by		
GUDPA by pledging financial institutions		2,845,555
Total	\$	3,095,555

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The District does not have a policy that restricts investment choices beyond Title 18A:20-37.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Runnemede Board of Education on June 30, 2008 for accumulating 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 reflected in the School District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4. CAPITAL RESERVE ACCOUNT (CONT'D)

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

Beginning Balance, July 1, 2020	\$	862,906
2020-2021 Addition		913,139
Unspent Funds Returned		234,419
Interest Earnings		262
		<u>2,010,726</u>
Less: Transfers Out		(685,726)
Ending Balance, June 30, 2021	\$	<u><u>1,325,000</u></u>

Of this balance, \$1,025,000 was utilized in the 2021-2022 budget.

The June 30, 2021 LRFP balance of local support costs of uncompleted capital projects at June 30, 2021 is \$7,389,180. There were no withdrawals from the capital reserve for use in a DOE approved facilities projects during the year under audit. Consistent with the District's Long-Range Facilities Plan, projects are planned in the near future.

NOTE 5. MAINTENANCE RESERVE

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

Beginning Balance, July 1, 2020	\$	692,149
2019-20 Addition		
Interest Earnings		279
		<u>692,428</u>
Less: Transfers Out		
Ending Balance, June 30, 2021	\$	<u><u>692,428</u></u>

The balance in the Maintenance Reserve as of June 30, 2021 is within the maximum amount shown in the 2021 budget.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6. CAPITAL ASSETS

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

	<u>Beginning Balance 7/1/20</u>	<u>Additions</u>	<u>Adjustment/ Retirements</u>	<u>Ending Balance 6/30/21</u>
Governmental Activities:				
Capital Assets that are not being Depreciated:				
Land	\$ 29,083	\$ -	\$ -	\$ 29,083
Construction in Progress				
Total Capital Assets not being Depreciated	<u>\$ 29,083</u>	<u>\$ -</u>		<u>\$ 29,083</u>
Land Improvements	842,800	25,740		868,540
Building and Building Improvements	10,671,523	833,526		11,505,049
Machinery and Equipment	1,198,836	68,769	(6,634)	1,260,971
Totals at Historical Cost	<u>12,713,159</u>	<u>928,035</u>	<u>(6,634)</u>	<u>13,634,560</u>
Less Accumulated Depreciation for:				
Land Improvements	(372,347)	(27,247)		(399,594)
Building and Improvements	(3,505,791)	(337,648)		(3,843,439)
Equipment	(766,602)	(45,768)	6,634	(805,736)
Total Accumulated Depreciation	<u>(4,644,740)</u>	<u>(410,663)</u>	<u>6,634</u>	<u>(5,048,769)</u>
Total Capital Assets being Depreciated, Net of Accumulated Depreciation	<u>8,068,419</u>			<u>8,585,791</u>
Government Activities Capital Assets, Net	<u>\$ 8,097,502</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,614,874</u>
	To A-1			To A-1
Business-type Activities - Equipment	\$ 22,679	38,094	\$ (6,429)	\$ 54,344
Less Accumulated Depreciation	(5,261)	(2,382)	804	(6,839)
Business-type Activities Capital Assets, Net	<u>\$ 17,418</u>	<u>\$ 35,712</u>	<u>\$ (5,625)</u>	<u>\$ 47,505</u>

Depreciation Expense in the amount of \$ was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 5,908
Plant Operations	18,775
Central Administration	20,683
Transportation	19,424
Unallocated	345,873
	<u>\$ 410,663</u>

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7. LONG-TERM OBLIGATIONS

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

	Beginning Balance 7/1/20	Additions	Reductions	Ending Balance 6/30/21	Amounts Due Within One Year	Long-Term Portion
Governmental Activities:						
Bonds Payable:						
General Obligation Debt	\$	\$	\$	\$	\$	\$
Other Liabilities:						
Net Pension Liability	3,701,650		191,256	3,510,394		3,510,394
Compensated Absences Payable	625,755		9,700	616,055	5,980	610,075
Business-Type Activities:						
Compensated Absences Payable	28,588		10,475	18,113		18,113
Total Long-Term Obligations	\$ 4,355,993	\$ -	\$ 211,431	\$ 4,144,562	\$ 5,980	\$ 4,138,582

A. 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. There were no principal and interest due on bonds outstanding as of June 30, 2021.

B. Bonds Authorized but Not Issued- As of June 30, 2021 None.

C. Capital Leases None.

NOTE 8. OPERATING LEASES

At June 30, 2021, the District had operating lease agreements for 6 copiers with payments made in the 2020-2021 school year and a 5 year lease agreement with the Borough of Runnemede both ending on June 30, 2024 with annual payments of \$16,072 and \$35,000 respectively. The future minimum lease payments are as follows:

Year Ending June 30,	Amount
2022	51,072
2023	51,072
2024	51,072
Total	\$ 153,216

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS

Description of Plans - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Public Employees' Retirement System

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

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

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who are 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.

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2019 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2021 were 128,904. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2021 is 15.11% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2021, and 2020, were \$235,488 and \$201,147 respectively.

The total payroll for the year ended June 30, 2021 was \$8,265,283. Payroll covered by PERS was \$1,695,227 for fiscal year 2021.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Continued)

Components of Net Pension Liability - At June 30, 2021, the District's proportionate share of the PERS net pension liability was \$3,510,394. The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The District's proportion measured as of June 30, 2020 was 0.021526% which was an increase of 0.00098% from its proportion measured as of June 30, 2019.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2021 PERS pension expense, with respect to GASB 68, was \$284,616. The District's 2021 deferred outflows of resources and deferred inflows of resources were from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 63,918	\$ 12,414
Changes of assumptions	113,881	1,469,835
Net difference between projected and actual earnings on pension plan investments	119,988	
Changes in proportion	452,112	144,242
Contributions subsequent to the measurement date	235,488	
Total	\$ 985,387	\$ 1,626,491

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

<u>Year</u>		<u>PERS</u>
2021	\$	(318,155)
2022		(264,943)
2023		(187,864)
2024		(87,550)
2025		(18,080)
Thereafter		
Total	\$	(876,592)

Additional Information - Collective Balances at June 30, 2021 and 2020 are as follows:

<u>Year</u>		<u>2021</u>		<u>2020</u>
Collective deferred outflows of resources	\$	985,387	\$	1,138,012
Collective deferred inflows of resources	\$	1,626,491	\$	1,573,071
Collective Net Pension Liability	\$	3,510,394	\$	3,701,650
District's Proportion		0.021526%		0.020544%

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Continued)

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

	<u>PERS</u>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	2.00% - 6.00%
Thereafter	3.00% - 7.00%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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-2019.

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 Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Continued)

. 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:

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 4,453,748	\$ 3,510,394	\$ 2,760,957

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Continued)

Teachers' Pension and Annuity Fund

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who are 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.

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

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2019. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2021 because of the 100% special funding situation with the State of New Jersey.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (Continued)

During the fiscal year ended June 30, 2021, the State of New Jersey contributed \$1,561,643 to the TPAF for pension contributions, \$489,394 for post-retirement benefits on behalf of the School, and \$932 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$452,341 during the year ended June 30, 2021 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2021, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2021, the District recognized pension expense of \$2,165,209 and revenue of \$2,165,209 for support provided by the State.

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:

	TPAF
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

Long-Term Expected Rate of Return - 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:

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (4.40%)</u>	<u>Current Discount (5.40%)</u>	<u>1% Increase (6.40%)</u>
State's Share of the Net Pension Liability associated with the District	\$ 40,989,149	\$ 34,819,238	\$ 29,836,211
State's Share of the Net Pension Liability	<u>\$ 77,517,093,055</u>	<u>\$ 65,993,498,688</u>	<u>\$ 56,425,087,777</u>

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

- | | <u>Eligibility</u> |
|---|--------------------|
| 1. State or Local Officials who are elected or appointed on or after July 1, 2007 | |
| 2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits | |
| 3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits | |
| 4. Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually | |
| 5. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually | |

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. PENSION PLANS (CONT'D)

Defined Contribution Retirement Program (DCRP) (Continued)

Contributions – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2021, employee contributions totaled \$5,329 and the District's employer contribution, recognized in pension expense, was \$2,907. There were no forfeitures during the fiscal year.

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

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

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

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

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Total OPEB Liability

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2020, was \$67,809,962,608. Of this amount, the total OPEB liability attributable to the School District was \$47,624,763. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.07023%. The total OPEB liability for the School District measured as of June 30, 2020 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2020 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

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

	TPAF/ABP	PERS	PFRS
Inflation Rate	2.50%	2.50%	2.50%
	Based on	Based on	Based on
Salary Increases:	Service Years	Service Years	Service Years
Through 2026	1.55% - 4.45%	2.00% - 6.00%	3.25% - 15.25%
Thereafter	1.55% - 4.45%	3.00% - 7.00%	Applied to all future years

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

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

Health Care Trend Assumptions

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

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.

Changes in the Total OPEB Liability

State of New Jersey		<u>Total OPEB Liability</u>
Balance as of June 30, 2019 Measurement Date	\$	<u>41,729,081,045</u>
Changes for the year:		
Service Cost		1,790,973,822
Interest		1,503,341,357
Changes of Benefit Terms		
Differences between Expected and Actual		11,544,750,637
Changes of Assumptions		12,386,549,981
Benefit Payments		35,781,384
Contributions from Members		<u>(1,180,515,618)</u>
Net Changes		<u>26,080,881,563</u>
Balance as of June 30, 2020 Measurement Date	\$	<u><u>67,809,962,608</u></u>

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

The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, 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:

				<u>June 30, 2020</u>		
<u>At 1.00% Decrease</u>		<u>At Discount Rate</u>		<u>At 1.00% Increase</u>		
2.50%		3.50%		4.50%		
\$	81,748,410,002	67,809,962,608		56,911,439,160		

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

The following presents the total nonemployer OPEB liability as of June 30, 2020, 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:

				<u>June 30, 2020</u>		
<u>1.00% Decrease</u>		<u>Healthcare Cost</u>		<u>1.00% Increase</u>		
		Trend Rate				
\$	54,738,488,540	67,809,962,608		83,375,182,975		

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the School District recognized OPEB expense of \$2,060,691. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 7,230,680	\$ 6,440,832
Changes of Assumptions	8,100,815	5,434,255
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	294,740	1,894,847
Contributions Subsequent to the Measurement Date		
Total	\$ 15,626,235	\$ 13,769,934

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

Measurement Period Ending June 30,		OPEB
2021	\$	(217,564)
2022		(217,564)
2023		(217,564)
2024		(217,564)
2025		(217,564)
Thereafter		2,944,121
Total	\$	1,856,301

NOTE 11. 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 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 employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District'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 District for the unused sick leave in accordance with the District's agreement with the various employee unions.

In the District-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components-the amount due within one year and the amount due in more than one year.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11. COMPENSATED ABSENCES (CONT'D)

The liability for vested compensated absences is recorded within those funds as the benefits accrued to employees. As of June 30, 2021, a liability existed for compensated absences in the governmental fund in the amount \$616,055 and \$18,113 in the business-type fund.

NOTE 12. 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, which are administered by an outside organization, approved by the School District, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The School District has very little administrative involvement, performs no investing function, and has no fiduciary responsibility for these plans.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, are solely the property and rights of the participants and are not subject to claims of the School District's creditors. Accordingly, the plan assets are not reported as a part of these financial statements. The plan administrators are as follows:

Siracusa	Lincoln Investment Planning	Midland
Fidelity Investments	Vanguard	AXA Equitable

NOTE 13. CONTINGENCIES

The School District participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.

The School District is dependent on the State of New Jersey for a substantial portion of its operating funds. Due to funding uncertainties at the State level, funding for school districts may be reduced. The ultimate effect of this possible reduction in funding on the School District's future operation is not yet determinable.

NOTE 14. 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 and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

Joint Insurance Pool- The School District is a member of the New Jersey School Boards Association Insurance Group, 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 Comprehensive Annual 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 any. 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.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 14. RISK MANAGEMENT (CONT'D)

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 School District is billed quarterly for amounts due to the State.

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$	\$	22,379	\$ 15,852
2019-2020			23,295	6,604
2018-2019			20,978	11,178
				\$ 136,469
				129,942
				113,251

NOTE 15. INTERFUND RECEIVABLES AND PAYABLES

<u>Fiscal Year</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 35,138	\$
Food Service		35,138
	-----	-----
Total	<u>\$ 35,138</u>	<u>\$ 35,138</u>

NOTE 16. FUND BALANCE APPROPRIATED

General Fund-Of the \$2,967,036 General Fund balance at June 30, 2021, \$16,955 is assigned for Encumbrances; \$1,325,000 has been restricted in the Capital Reserve Account, of which \$1,025,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2022; \$136,469 is reserved for Unemployment Compensation; \$692,428 is restricted for Maintenance Reserve; \$191,709 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, of which \$150,000 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2022; \$536,955 has been assigned, appropriated and included as anticipated revenue for the year ending June 30, 2022; and there is a Deficit in unreserved and undesignated fund balance of \$67,520.

Debt Service Fund –There is no fund balance in the Debt Service Fund at June 30, 2021.

NOTE 17. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (\$1,701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$150,000, of which \$150,000 was budgeted in the 2021-2022 budget and \$41,709 must be budgeted in the 2022-2023 budget.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 18. DEFICIT FUND BALANCES

The District has a deficit in Unassigned fund balance of \$0 in the General Fund and (\$104,968) 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, districts must record the last state aid payment as revenue, for budgeted 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 as asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable.

Due to the timing difference of recording the last state aid payment, the deficit in the General Fund balance does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A.18A:22-44.2, any negative unreserved, undesignated general fund and special revenue fund balance that is reported as a direct result from a delay in the payment 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 District's general fund deficit is less than the last state aid payment of \$559,903 and the special revenue fund deficit is equal to the last state aid payment.

NOTE 19. RECEIVABLES

Receivables at June 30, 2021 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds. Receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Receivables:</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>
Federal	\$	\$ 9,844	\$ 28,515
State	324,165		2,344
Other	2,780		1,420
Totals	<u>\$ 326,945</u>	<u>\$ 9,844</u>	<u>\$ 32,279</u>

NOTE 20. LITIGATION

The District is not involved in any lawsuit incidental to its operations and the administration and legal counsel are not aware of any matters pending or threatened, which are likely to have a material adverse effect on the financial position of the District.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 21. TAX ABATEMENT

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 NJSA 54:4-75 and NJSA 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 NJSA 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.

NOTE 22. SUBSEQUENT EVENTS

There were no other events noted, between the year-end and the date of the audit report, requiring disclosure.

NOTE 23. PRIOR YEAR ADJUSTMENT

GASB 84, Fiduciary Activities, was implemented during the fiscal year 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 the implementation as follows:

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 Restated
Statement of Net Activities - Governmental Activities			
Net Position	\$ 5,644,446	\$ 156,460	\$ 5,800,906
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:			
General Fund	2,283,391	129,942	2,413,333
Special Revenue	(92,887)	26,518	(66,369)
Statement of Changes in Fiduciary Net Position - Fiduciary Funds:			
Unemployment Compensation Trust	129,942	(129,942)	
Student Activities	26,518	(26,518)	

End of Notes to Financial Statements

BUDGETARY COMPARISON SCHEDULES

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 7,541,121	\$	\$ 7,541,121	\$ 7,541,121	\$
Tuition From Other LEAs	24,000		24,000	13,901	(10,099)
Transportation Fees From Other LEAs	5,000		5,000		(5,000)
Interest on Investments				158	158
Interest Earned on Capital Reserve	262		262	262	
Interest Earned on Maintenance Reserve	279		279	279	
Other Restricted Miscellaneous Revenues					
Miscellaneous	2,000		2,000	150,459	148,459
	7,572,662		7,572,662	7,706,180	133,518
State Sources:					
Equalization Aid	4,972,674		4,972,674	4,704,668	(268,006)
Special Education Aid	481,898		481,898	481,898	
School Choice	87,802		87,802	91,534	3,732
Transportation Aid	166,787		166,787	166,787	
Security Aid	175,149		175,149	175,149	
Extraordinary Aid	181,577		181,577	287,272	105,695
Non-Public Transportation Aid				3,480	3,480
Homeless Tuition				12,449	12,449
On-behalf Pension Contribution				1,561,643	1,561,643
On-behalf TPAF Post Retirement Medical Contribution				489,394	489,394
On-behalf TPAF Long-Term Disability Contribution				932	932
Reimbursement TPAF Social Security				452,341	452,341
Total - State Sources	6,065,887		6,065,887	8,427,547	2,361,660
Federal Sources:					
Medicaid Reimbursement	38,422		38,422	29,269	(9,153)
FEMA Proceeds				55,018	55,018
Total - Federal Sources	38,422		38,422	84,287	45,865
TOTAL REVENUES	\$ 13,676,971	\$	\$ 13,676,971	\$ 16,218,014	\$ 2,541,043
EXPENDITURES:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	\$ 355,521	\$ (7,499)	\$ 348,022	\$ 348,021	\$ 1
Grades 1-5	1,773,152	(117,770)	1,655,382	1,636,548	18,834
Grades 6-8	1,080,327	(62,600)	1,017,727	1,013,896	3,831
Home instruction:					
Salaries of Teachers	5,500	(4,000)	1,500	608	892
Regular Programs - Undistributed - Instruction:					
Other Salaries for Instruction	64,133		64,133	64,133	
Purchased Prof/Ed Services	115,000	(41,800)	73,200	56,833	16,367
Purchased Technical Services	28,000	9,900	37,900	37,488	412
Other Purchased Services	25,000		25,000	22,635	2,365
General Supplies	286,127	(21,978)	264,149	240,170	23,979
Textbooks	100,524	29,600	130,124	128,499	1,625
Total Regular Programs	3,833,284	(216,147)	3,617,137	3,548,831	68,306

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
CURRENT EXPENSES: (Continued)					
Special Education					
Multiple Disabilities:					
Salaries of Teachers	\$ 231,308	\$ (6,000)	\$ 225,308	\$ 222,488	\$ 2,820
Purchased Prof/Ed Services	4,000		4,000		4,000
General Supplies	20,000	(7,500)	12,500	6,294	6,206
Total Multiple Disabilities	255,308	(13,500)	241,808	228,782	13,026
Resource Room:					
Salaries of Teachers	684,321	27,000	711,321	686,033	25,288
Other Salaries for Instruction	116,629	(5,800)	110,829	78,821	32,008
General Supplies	6,000	(3,000)	3,000	377	2,623
Total Resource Room	806,950	18,200	825,150	765,231	59,919
TOTAL SPECIAL EDUCATION	1,062,258	4,700	1,066,958	994,013	72,945
Basic Skills/Remedial-Instruction:					
Salaries of Teachers	309,751		309,751	290,954	18,797
General Supplies	1,600		1,600	563	1,037
Total Basic Skills/Remedial-Instruction	311,351		311,351	291,517	19,834
Bilingual Education-Instruction					
Salaries of Teachers					
Total Bilingual Education-Instruction					
School Sponsored Co-curricular Activities:					
Salaries	40,000		40,000	6,885	33,115
Supplies and Materials	7,500		7,500	3,762	3,738
Other Objects	5,000		5,000	760	4,240
Total School Sponsored Co-curricular Activities	52,500		52,500	11,407	41,093
School Sponsored Athletics:					
Salaries	51,100		51,100	10,570	40,530
Supplies and Materials	15,000	1,067	16,067	463	15,604
Other Objects	8,500		8,500	986	7,514
Total School Sponsored Athletics	74,600	1,067	75,667	12,019	63,648
Total Instruction	5,333,993	(210,380)	5,123,613	4,857,787	265,826
Undistributed Expenditures:					
Instruction:					
Tuition - Other LEAs Within the State - Regular	40,000		40,000		40,000
Tuition - Co Spec Serv and Regional Day Schools	100,000		100,000		100,000
Tuition to Private Schools for the Disabled Within State	370,000		370,000	223,339	146,661
Total Undistributed Expenditures - Instruction	510,000		510,000	223,339	286,661

RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
CURRENT EXPENSES: (Continued)					
Health Services:					
Salaries	\$ 175,609	\$	\$ 175,609	\$ 175,609	\$
Purch Prof/ Tech Services	19,500		19,500	7,363	12,137
Other Purchased Services	1,000	18	1,018	768	250
Supplies and Materials	6,000	(18)	5,982	4,701	1,281
Total Health Services	202,109		202,109	188,441	13,668
Speech, OT, PT & Related Services					
Salaries	110,853		110,853	110,853	
Purchased Professional - Educational Services	85,000	9,429	94,429	94,399	30
Supplies and Materials	2,000	(429)	1,571	1,104	467
Total Related Services	197,853	9,000	206,853	206,356	497
Other Support Services - Students - Extra Services:					
Salaries	331,427	(27,000)	304,427	262,780	41,647
Purchased Prof Ed Services	305,000	(47,150)	257,850	179,698	78,152
Supplies and Materials		2,150	2,150		2,150
Total Extra Services	636,427	(72,000)	564,427	442,478	121,949
Guidance:					
Salaries Other Professionals	133,268		133,268	133,268	
Supplies and Materials	1,000		1,000		1,000
Total Guidance	134,268		134,268	133,268	1,000
Child Study Team					
Salaries of Other Professional Staff	314,797	(3,750)	311,047	290,591	20,456
Salaries Secr. & Clerical Asst.	39,573		39,573	39,573	
Purchased Professional - Educational Services	115,000	(2,000)	113,000	97,353	15,647
Supplies and Materials	2,000	5,384	7,384	6,984	400
Other Objects	1,000	366	1,366	1,288	78
Total Child Study Teams	472,370		472,370	435,789	36,581
Improv. Instruction Services/Other Support					
Salary of Supervisor of Instruction	188,229		188,229	187,715	514
Salaries Secr. & Clerical Asst.	13,299		13,299	13,299	
Purchased Professional and Educational Services	1,000		1,000		1,000
Supplies and Materials	100		100	97	3
Other Objects	1,500		1,500	1,084	416
Total Improvement of Instruction Services/Other Support	204,128		204,128	202,195	1,933
Educational Media Services/School Library:					
Salaries	111,753	(32,000)	79,753	77,251	2,502
Salaries of Technology Coordinators	92,527		92,527	92,527	
Purchased Professional and Technical Services	8,800		8,800		8,800
Supplies and Materials	30,000	(8,000)	22,000	1,662	20,338
Total Educational Media Services/School Library	243,080	(40,000)	203,080	171,440	31,640

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
CURRENT EXPENSES: (Continued)					
Undistributed Expenditures:					
Instructional Staff Training Services					
Purchased Professional and Educational Services	\$ 8,050	\$ 400	\$ 8,450	\$ 8,405	\$ 45
Supplies and Materials	5,000	(400)	4,600		4,600
Total Inst. Staff Training Services	13,050		13,050	8,405	4,645
Support Services General Administration:					
Salaries	226,601		226,601	226,600	1
Legal Services	15,000		15,000	523	14,477
Audit Fees	18,000		18,000	17,632	368
Architectural/Engineering Services	2,500		2,500		2,500
Other Purchased Professional Services	3,500	6,000	9,500	9,189	311
Communication/Telephone	80,000	5,000	85,000	74,197	10,803
BOE Other Purchased Prof. Services	7,950		7,950	100	7,850
Other Purchased Services	114,000	38,000	152,000	104,641	47,359
General Supplies	15,000	(5,000)	10,000	8,970	1,030
Miscellaneous Expenditures	2,450		2,450	1,725	725
BOE Membership Dues and Fees	9,000		9,000	6,295	2,705
Total Support Services General Administration	494,001	44,000	538,001	449,872	88,129
Support Services School Administration:					
Salaries of Principals/Assistant Principals	236,545		236,545	236,271	274
Salaries of Secretarial and Clerical Assistants	128,011	446	128,457	113,847	14,610
Other Purchased Services	15,000	36,000	51,000	12,834	38,166
Supplies and Materials	19,000	479	19,479	12,417	7,062
Other Objects	6,500	(446)	6,054	2,628	3,426
Total Support Services School Administration	405,056	36,479	441,535	377,997	63,538
Central Services:					
Salaries	221,436	9,295	230,731	221,730	9,001
Purchased Professional Services	3,500	13,000	16,500	2,200	14,300
Purchased Technical Services	16,195		16,195	10,027	6,168
Miscellaneous Purchased Services	1,000		1,000		1,000
Supplies and Materials	14,000	(295)	13,705	8,254	5,451
Interest on Bond Anticipation Notes (BANs)	5,000		5,000		5,000
Miscellaneous Expenditures	2,500		2,500	2,383	117
Total Central Services	263,631	22,000	285,631	244,594	41,037
Admin. Info. Technology:					
Salaries	7,500		7,500		7,500
Purchased Technical Services	15,000	5,000	20,000	16,258	3,742
Other Purchased Services	1,300	(350)	950		950
Supplies and Materials	3,500	350	3,850	2,348	1,502
Other Objects	16,000		16,000		16,000
Total Admin. Info. Technology	43,300	5,000	48,300	18,606	29,694
Required Maintenance for School Facilities:					
Salaries	72,036		72,036	71,873	163
Cleaning, Repair and Maintenance Services	58,500	30,581	89,081	88,828	253
Lead Testing of Drinking Water	5,000		5,000		5,000
General Supplies	77,500	(29,481)	48,019	41,161	6,858
Other Objects	500		500		500
Total Required Maintenance for School Facilities	213,536	1,100	214,636	201,862	12,774

RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
Other Operation and Maintenance of Plant-Custodial Services:					
Salaries	\$ 364,146	\$ 41,295	\$ 405,441	\$ 405,440	\$ 1
Salaries of Non-Instructional Aides	62,232	(4,003)	58,229	57,986	243
Purchased Prof & Tech Services	4,400	(500)	3,900	3,764	136
Cleaning, Repair and Maintenance Services	11,500	(8,250)	3,250	1,764	1,486
Rental of Land & Bldg. Oth than Lease Pur Arrangement	35,000		35,000	35,000	
Other Purchased Property Services	53,500	(5,477)	48,023	42,241	5,782
Insurance	11,000		11,000	8,557	2,443
Miscellaneous Purchased Services	2,000	(723)	1,277	325	952
General Supplies	53,500	67,943	121,443	85,993	35,450
Energy (Natural Gas)	82,000		82,000	57,324	24,676
Energy (Electricity)	212,000		212,000	141,288	70,712
Other Objects	200		200	185	15
Total Other Operation and Maintenance of Plant - Custodial	891,478	90,285	981,763	839,867	141,896
Undistributed Expenditures - Care & Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	11,500		11,500	5,341	6,159
General Supplies	8,500	(1,000)	7,500	4,978	2,522
Total Care & Upkeep of Grounds	20,000	(1,000)	19,000	10,319	8,681
Undistributed Expenditures - Security:					
Purchased Professional & Technical Services	80,500	(40,000)	40,500	29,863	10,637
Cleaning, Repair and Maintenance Services	37,000		37,000	11,963	25,037
General Supplies	72,000	(22,700)	49,300	7,516	41,784
Total Security	189,500	(62,700)	126,800	49,342	77,458
Total Operation and Maintenance of Plant Services	1,314,514	27,685	1,342,199	1,101,390	240,809
Undistributed Expenditures - Student Transportation Services:					
Salaries Pupil Trans (Bet Home/School) - Regular	84,305	(15,000)	69,305	62,927	6,378
Management Fee - ESC & CTSA Trans. Program	8,000		8,000	2,661	5,339
Other Purch. Prof. & Tech Serv.	2,500	4,700	7,200	7,046	154
Contracted Services - Aid in Lieu of Payments - Choice		3,000	3,000	1,498	1,502
Contracted Services (Bet Home/School) - Vendor	3,500	(200)	3,300		3,300
Contracted Services (Not Bet Home/School) - Vendors	17,000	(6,500)	10,500		10,500
Contracted Services (Sp. Ed. Stds.) - Vendors	45,000	(25,000)	20,000		20,000
Contracted Services (Special Ed. Students) - ESCs & CTSA	135,500		135,500	49,509	85,991
Contracted Services - Aid in Lieu of Payments - Nonpublic	21,000	(5,000)	16,000	11,000	5,000
Contracted Services - Aid in Lieu of Payments - Chrtr Sch Std		2,000	2,000	122	1,878
Transportation Supplies	9,500	2,000	11,500	5,609	5,891
Total Student Transportation Services	326,305	(40,000)	286,305	140,372	145,933
Unallocated Employee Benefits:					
Social Security Contributions	150,000	26,000	176,000	175,372	628
Other Retirement Contributions - PERS	255,000	14,000	269,000	268,020	980
Unemployment Compensation	15,000		15,000		15,000
Workers Compensation	120,000		120,000	93,336	26,664
Health Benefits	2,707,665	(39,999)	2,667,666	2,329,722	337,944
Tuition Reimbursement	25,000		25,000	9,000	16,000
Other Employee Benefits	64,000		64,000	9,630	54,370
Total Unallocated Employee Benefits	3,336,665	1	3,336,666	2,885,080	451,586
On-behalf TPAF Pension Contribution				1,561,643	(1,561,643)
On-behalf TPAF Post Retirement Medical Contribution				489,394	(489,394)
On-behalf TPAF Long-Term Disability Contribution				932	(932)
Reimbursement TPAF Social Security				452,341	(452,341)
Total Personal Services - Employee Benefits	3,336,665	1	3,336,666	5,389,390	(2,052,724)
Total Undistributed Expenditures	8,796,757	(7,835)	8,788,922	9,733,932	(945,010)
Interest Earned on Maintenance Reserve	279		279		279
TOTAL EXPENDITURES - CURRENT EXPENSE	14,131,029	(218,215)	13,912,814	14,591,719	(678,905)

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
EXPENDITURES: (Continued)					
CAPITAL OUTLAY:					
Increase in Capital Reserve	\$ 262	\$	\$ 262	\$	\$ 262
Regular Programs - Instruction: Grades 1-5		16,770	16,770	16,692	78
Undistributed Expenditures: Required Maint. School Facilities		415,685	415,685	386,613	29,072
Custodial Services		6,900	6,900		6,900
Care and Upkeep of Grounds		26,000	26,000	14,170	11,830
Total Equipment		465,355	465,355	417,475	47,880
Facilities Acquisition - Construction Services: Construction Services	600,000	(196,982)	403,018	369,687	33,331
Supplies and Materials		81,627	81,627	81,620	7
Total Facilities Acquisition and Construction Services	600,000	(115,355)	484,645	451,307	33,338
TOTAL CAPITAL OUTLAY	600,262	350,000	950,262	868,782	81,480
TOTAL EXPENDITURES	14,731,291	131,785	14,863,076	15,460,501	(597,425)
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	(1,054,320)	(131,785)	(1,186,105)	757,513	1,943,618
Other Financing Sources (Uses): Transfer from Other Funds	75,000		75,000		(75,000)
Transfer to Preeschool Program	(276,000)		(276,000)	(276,000)	
Transfer from Capital Projects Fund				118,904	118,904
Transfer to Charter School	(32,787)		(32,787)	(32,112)	675
Total Other Financing Sources	(233,787)		(233,787)	(189,208)	44,579
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,288,107)	(131,785)	(1,419,892)	568,305	1,988,197
Fund Balances, July 1	2,828,692		2,828,692	2,828,692	
Prior Year Adjustment				129,942	129,942
Fund Balances, July 1 Restated	2,828,692		2,828,692	2,958,634	129,942
Fund Balances, June 30	\$ 1,540,585	\$ (131,785)	\$ 1,408,800	\$ 3,526,939	\$ 2,118,139
RECAPITULATION:					
Restricted Fund Balance:					
Excess Surplus				\$ 41,709	
Excess Surplus - Designated for Subsequent Year's Expenditures				150,000	
Maintenance Reserve				692,428	
Maintenance Reserve - Designated for Subsequent Year's Expenditures					
Capital Reserve				300,000	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,025,000	
Unemployment Compensation				136,469	
Assigned Fund Balance:					
Year-End Encumbrances				16,955	
Designated for Subsequent Year's Expenditures				536,955	
Unassigned Fund Balance					
				627,423	
				3,526,939	
Reconciliation to Governmental Funds Statements (GAAP): Last State Aid Payments not Recognized on GAAP Basis				(559,903)	
Fund Balance per Governmental Funds (GAAP)				\$ 2,967,036	

RUNNEMEDE BOARD OF EDUCATION
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
REVENUES:					
Local Sources	\$	\$ 11,985	\$ 11,985	\$ 11,985	\$ -
Federal Sources	644,737	321,670	966,407	721,076	(245,331)
State Sources	1,380,075	-	1,380,075	1,146,248	(233,827)
Total Revenues	2,024,812	333,655	2,358,467	1,879,309	(479,158)
EXPENDITURES:					
Instruction					
Salaries of Teachers	457,850	12,730	470,580	462,545	8,035
Other Salaries for Instruction	260,900	(11,600)	249,300	227,087	22,213
Purchased Prof/Tech Services	15,000	44,212	59,212	57,046	2,166
Other Purchased Services	246,229	23,332	269,561	262,061	7,500
General Supplies	250,045	80,209	330,254	285,512	44,742
Textbooks	7,432	1,182	8,614	8,606	8
Other Objects	15,000		15,000		15,000
Total Instruction	1,252,456	150,065	1,402,521	1,302,857	99,664
Support Services					
Salaries	23,290		23,290	23,290	
Salaries - Secretarial	43,771		43,771	43,771	
Other Salaries	39,756		39,756	39,756	
Salaries of Community Parent Involvement	9,000		9,000	9,000	
Employee Benefits	250,000		250,000	250,000	
Purchased Prof/Tech Services	92,013	41,912	133,925	123,975	9,950
Contracted Transportation Services	10,000	(7,948)	2,052	2,052	
Other Purchased Services	112,717	894	113,611	76,945	36,666
Travel	500		500		500
Miscellaneous Purchased Services	26,874	953	27,827		27,827
Materials and Supplies	98,285	85,098	183,383	182,608	775
Other Objects	21,150	3,525	24,675	24,442	233
Student Activities		38,503	38,503	24,969	13,534
Total Support Services	727,356	162,937	890,293	800,808	89,485
Facilities Acquisition and Construction Services:					
Instructional Equipment	15,000	(12,847)	2,153	2,153	
Non-Instructional Equipment	30,000	33,500	63,500	62,475	1,025
Total Facilities Acquisition and Construction Services	45,000	20,653	65,653	64,628	1,025
Total Expenditures	2,024,812	333,655	2,358,467	2,168,293	190,174
Other Financing Sources (Uses)					
Total Outflows	2,024,812	333,655	2,358,467	2,168,293	190,174
Transfer from General fund				276,000	276,000
Excess (Deficiency) of Revenues Over (Under)				(12,984)	(12,984)
Fund Balance, July 1					
Prior Period Adjustment				26,518	
Fund Balance, July 1 (Restated)				26,518	
Fund Balance, June 30				13,534	
Recapitulation:					
Restricted:					
Student Activities				13,534	
Total Fund Balance				\$ 13,534	

**NOTES TO THE REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

RUNNEMEDE BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 16,218,014	[C-2] \$ 1,879,309
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	Prior Year Current Year	30,468 (5,375)
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	545,301	92,887
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(559,903)	(104,968)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ 16,203,412	[B-2] \$ 1,892,321
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 15,460,501	[C-2] \$ 2,168,293
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		25,093
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2] \$ 15,460,501	[B-2] \$ 2,193,386

REQUIRED SUPPLEMENTARY INFORMATION
PART III

RUNNEMEDE BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.021526%	0.020544%	0.021307%	0.021515%	0.016866%	0.017643%	0.016190%	0.015659%
District's Proportionate Share of the Net Pension Liability	\$ 3,510,394	\$ 3,701,650	\$ 4,195,246	\$ 5,008,361	\$ 4,721,248	\$ 3,960,435	\$ 3,031,301	\$ 2,992,838
District's Covered-Employee Payroll	\$ 1,695,227	\$ 1,628,900	\$ 1,486,705	\$ 1,401,904	\$ 1,504,964	\$ 1,381,733	\$ 1,233,319	\$ 1,119,014
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	207.08%	227.25%	282.18%	357.25%	313.71%	286.63%	245.78%	267.45%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

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

RUNNEMEDE BOARD OF EDUCATION
Schedule of District Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 235,488	\$ 201,147	\$ 213,641	\$ 204,668	151,359	\$ 151,680	\$ 133,472	\$ 117,991
Contributions in relation to the Contractually Required Contribution	(235,488)	(201,147)	(213,641)	(204,668)	(151,359)	(151,680)	(133,472)	(117,991)
Contribution Deficiency (Excess)	\$	\$	\$	\$	\$	\$	\$	\$
District's Covered-Employee Payroll	\$ 1,695,227	\$ 1,628,900	\$ 1,486,705	\$ 1,401,904	\$ 1,504,964	\$ 1,381,733	\$ 1,233,319	\$ 1,119,014
Contributions as a Percentage of Covered-Employee Payroll	13.89%	12.35%	14.37%	14.60%	10.06%	10.98%	10.82%	10.54%

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

RUNNEMEDE BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.052878%	0.051375%	0.048774%	0.051368%	0.049291%	0.053573%	0.053724%	0.051149%
District's Proportionate Share of the Net Pension Liability	\$ 34,819,238	\$ 31,529,412	\$ 31,029,190	\$ 34,634,062	\$ 38,775,664	\$ 33,860,278	\$ 28,713,546	\$ 25,850,462
District's Covered-Employee Payroll	\$ 5,985,028	\$ 5,810,441	\$ 5,754,483	\$ 5,639,158	\$ 5,397,870	\$ 5,029,343	\$ 5,183,302	\$ 4,715,910
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	581.77%	542.63%	539.22%	614.17%	718.35%	673.25%	553.96%	548.15%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

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

RUNNEMEDE BOARD OF EDUCATION
Required Supplementary Information - Part III
Schedule of Changes in the Total OPEB Liability and Related Ratios
State Health Benefit Local Education Retired Employees Plan
Last Ten Fiscal Years

	2020	2019	2018	2017
Total OPEB Liability				
Service Cost	\$ 1,227,157	\$ 1,195,968	\$ 1,295,650	\$ 1,569,309
Interest Cost	1,046,815	1,288,184	1,448,976	1,256,855
Changes of Benefit Terms				
Differences Between Expected and Actual Experiences	8,374,985	(5,490,582)	(5,248,510)	
Changes of Assumptions	8,699,408	433,591	(3,731,768)	(5,317,681)
Member Contributions	25,130	26,462	30,053	33,770
Gross Benefit Payments	(829,108)	(892,681)	(869,558)	(917,095)
Net Change in Total OPEB Liability	18,544,387	(3,439,058)	(7,075,157)	(3,374,842)
Total OPEB Liability - Beginning	29,080,376	32,519,434	39,594,591	42,969,433
Total OPEB Liability - Ending	\$ 47,624,763	\$ 29,080,376	\$ 32,519,434	\$ 39,594,591
Covered-Employee Payroll	\$ 7,680,255	\$ 7,439,341	\$ 7,241,188	\$ 7,041,062
Total OPEB Liability as a Percentage of Covered-Employee Payroll	620.09%	390.90%	449.09%	562.34%

Notes to Schedule:

Changes of Benefit Terms: None

Differences Between Expected and Actual Experiences: The decrease in the Total OPEB Liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premium experiences. The increase in liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes in Assumptions: The increase in the liability from June 30, 2018 to June 30, 2019 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions. The increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

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

RUNNEMEDE BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	NCLB			I.D.E.A. - Part B			Cares Act	Covid Relief Act	Digital Divide	Nonpublic Digital Divide	Sub-Total Per E-1 (2)	Totals	
	Title I Part A	Title II Part A	Title IV Part A	Basic	Preschool	Preschool						2021	2020
	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21							
REVENUES:													
Federal Sources	\$ 163,489	\$ 22,993	\$ 11,853	\$ 277,395	\$ 12,426		\$ 101,860	\$ 57,285	\$ 67,646	\$ 6,129		\$ 721,076	\$ 463,945
State Sources						\$ 1,026,944					\$ 119,304	1,146,248	1,262,422
Local Sources											11,985	11,985	
Total Revenues	163,489	22,993	11,853	277,395	12,426	1,026,944	101,860	57,285	67,646	6,129	131,289	1,879,309	1,726,367
EXPENDITURES:													
Instruction:													
Salaries of Teachers	93,830					368,715						462,545	419,562
Other Salaries for Instruction						227,087						227,087	195,666
Purchased Prof/Tech Services	11,849		1,990	25,348		17,859						57,046	60,230
Other Purchased Services				236,458	12,426						13,177	262,061	228,898
General Supplies	57,810		9,863	2,601		137,950	2,310		67,646	6,129	1,203	285,512	203,206
Textbooks											8,606	8,606	7,432
Total Instruction	163,489		11,853	264,407	12,426	751,611	2,310		67,646	6,129	22,986	1,302,857	1,114,994
Support Services:													
Salaries						23,290						23,290	
Salaries - Secretarial						43,771						43,771	18,000
Other Salaries						39,756						39,756	
Salaries of Community Parent Involvement						9,000						9,000	
Employee Benefits						250,000						250,000	217,650
Purchased Prof/Tech Services		17,924		12,988		93,063						123,975	125,032
Contracted Transportation Services						2,052						2,052	
Other Purchased Services		5,069									71,876	76,945	73,949
Miscellaneous Purchased Services													
Materials and Supplies						25,773	99,550	57,285				182,608	42,219
Other Objects											24,442	24,442	21,135
Student Activities											24,969	24,969	21,135
Total Support Services		22,993		12,988		486,705	99,550	57,285			121,287	800,808	497,985
Facilities Acquisition/Construction:													
Instructional Equipment						2,153						2,153	104,211
Non-Instructional Equipment						62,475						62,475	9,177
Transfer from Enterprise Fund						64,628						64,628	113,388
Total Expenditures	\$ 163,489	\$ 22,993	\$ 11,853	\$ 277,395	\$ 12,426	\$ 1,302,944	\$ 101,860	\$ 57,285	\$ 67,646	\$ 6,129	\$ 144,273	\$ 2,168,293	\$ 1,726,367
Excess (Deficiency) of Revenues Over (Under) Expenditures						(276,000)					(12,984)	(288,984)	
Transfer from General Fund						276,000						276,000	
Fund Balance, July 1													
Prior Year Adjustment											26,518	26,518	
Fund Balance, July 1 (Restated)											26,518	26,518	
Fund Balance, June 30	\$	\$	\$	\$	\$	\$ -	\$	\$	\$	\$	\$ 13,534	\$ 13,534	\$

RUNNEMEDE BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Non-Public									Totals	
	Textbook Aid	Nursing Aid	Security Aid	Chapter 192		Corrective Speech	Chapter 193		Student Activity		
				Compensatory Education	Transportation		Examination and Classification	Supplemental Instructional Aid			
									2021	2020	
REVENUES:											
Federal Sources											
State Sources	\$ 8,606	\$ 14,380	\$ 24,442	\$ 32,833	\$ 8,494	\$ 11,575	\$ 10,960	\$ 8,014		\$ 119,304	111,945.00
Local Sources									\$ 11,985	11,985	
Total Revenues	8,606	14,380	24,442	32,833	8,494	11,575	10,960	8,014	11,985	131,289	111,945.00
EXPENDITURES:											
Instruction:											
Other Purchased Services		13,177								13,177	13,175.00
General Supplies		1,203								1,203	5,565.00
Textbooks	8,606									8,606	7,432.00
Total Instruction	8,606	14,380								22,986	26,172.00
Support Services:											
Other Purchased Services				32,833	8,494	11,575	10,960	8,014		71,876	64,638.00
Other Objects			24,442							24,442	21,135.00
Student Activities									24,969	24,969	
Total Support Services			24,442	32,833	8,494	11,575	10,960	8,014	24,969	121,287	85,773.00
Facilities Acquisition/Construction:											
Instructional Equipment											
Total Facilities Acquisition/Construction											
Total Expenditures	\$ 8,606	\$ 14,380	\$ 24,442	\$ 32,833	\$ 8,494	\$ 11,575	\$ 10,960	\$ 8,014	\$ 24,969	\$ 144,273	111,945.00
Excess (Deficiency) of Revenues Over (Under) Expenditures									(12,984)	(12,984)	
Fund Balance July 1											
Prior Year Adjustment									26,518	26,518	
Fund Balance July 1 (Restated)									26,518	26,518	
Fund Balance June 30	\$	\$	\$	\$	\$	\$	\$	\$	\$ 13,534	\$ 13,534	

RUNNEMEDE BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 376,750	\$ 368,715	\$ 8,035
Other Salaries for Instruction	249,300	227,087	22,213
Unused Vacation Payment to Term/Retired Staff	15,000		15,000
Purchased Prof/Educ Services	19,000	17,859	1,141
Other Purchased Services	7,500		7,500
General Supplies	148,343	137,950	10,393
Total Instruction	<u>815,893</u>	<u>751,611</u>	<u>64,282</u>
Support:			
Salaries of Other Professional Staff	23,290	23,290	
Secretaries and Clerical staff salaries	43,771	43,771	
Other Salaries	39,756	39,756	
Parent Liaison	9,000	9,000	
Personal Services - Employee Benefits	250,000	250,000	
Other Purchased Services - Ed Services	103,012	93,063	9,949
Contracted Services: Field Trips	2,052	2,052	
Travel	500		500
Misc. Purchased Services	600		600
Supplies and Materials	26,548	25,773	775
Total Support Services	<u>498,529</u>	<u>486,705</u>	<u>11,824</u>
Facilities Acquisition and Const. Services:			
Instructional Equipment	2,153	2,153	
Non-instructional Equipment	63,500	62,475	1,025
Total Facilities Acquisition and Const. Services:	<u>65,653</u>	<u>64,628</u>	<u>1,025</u>
Total Expenditures	<u>\$ 1,380,075</u>	<u>\$ 1,302,944</u>	<u>\$ 77,131</u>

CALCULATION OF BUDGET & CARRYOVER

Total revised 2020-2021 Preschool Education Aid Allocation	\$ 1,049,680	(1)
Add: Actual ECPA/PEA Carryover (June 30, 2020)	54,395	(2)
Add: Budgeted Transfer from the General Fund 2020-2021	276,000	(3)
Total Preschool Education Aid Funds Available for 2020-2021 Budget	1,380,075	(4)
Less: 2020-2021 Budgeted Preschool Education Aid (including prior year budget carryover)	(1,380,075)	(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2021		(6)
Add: June 30, 2021 Unexpended Preschool Education Aid	77,131	(7)
Less: 2020-2021 Commissioner-approved Transfer to the General Fund		(8)
2020-2021 Carryover - Preschool Education Aid/Preschool Programs	\$ 77,131	(9)
Transfer from Enterprise Fund		
20-2021 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2021-2022	\$	(10)

CAPITAL PROJECTS FUND DETAIL STATEMENTS

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

RUNNEMEDE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2021

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Cancellation</u>	<u>Unexpended Balance June 30, 2021</u>
			<u>Prior Years</u>	<u>Current Year</u>		
School Windows, Roof and Other Exterior Replacement:						
Bingham School	1/6/14	\$ 696,785	\$ 654,124	\$	(42,661)	\$
Mary E. Volz School	2/24/14	1,996,834	1,920,591		(76,243)	
		<u>\$ 2,693,619</u>	<u>\$ 2,574,715</u>	<u>\$</u>	<u>(118,904)</u>	<u>\$</u>

EXHIBIT F-2

RUNNEMEDE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

Revenues and Other Financing

Sources

State Sources - SDA Grant	\$	
Transfer from Capital Reserve Funds		
Interest		

Total Revenues		<hr/>
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Expenditures and Other Financing Uses

Architectural Costs		
Construction Services		

Total Expenditures		<hr/>
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Excess (Deficiency) of Revenues Over (Under) Expenditures		<hr/>
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Fund Balance - Beginning		118,904
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Less: Cancellation to General Fund		(118,904)
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Fund Balance - Ending	\$	<hr/> <hr/> 0
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RUNNEMEDE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES
PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
BINGHAM SCHOOL MASONRY RESTORATION, EXTERIOR DOOR AND WINDOW REPLACEMENT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Cancellation	Totals	Revised Authorized Cost
Revenues and Other Financing Sources					
State Sources - SDA Grant	\$ 370,914	\$		\$ 370,914	\$ 412,879
Transfer from Capital Reserve Funds	325,871		(42,661)	283,210	325,871
Total Revenues	696,785		(42,661)	654,124	738,750
Expenditures and Other Financing Uses					
Architectural Costs	49,160			49,160	51,713
Construction Services	604,964			604,964	687,038
Total Expenditures	654,124			654,124	738,750
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 42,661	\$	(42,661)	\$	

Additional Project Information:

Project Number - DOE	4590-020-14-1001
Project Number - SDA	4590-020-14-GINF
Grant Date/Letter of Notification	1/6/2014
Grant Number	G5-5089
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	\$738,750
Additional Authorized Cost	N/A
Revised Authorized Cost	\$738,750
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	12/31/2015
Revised Target Completion Date	3/29/2016

RUNNEMEDE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUE, EXPENDITURES
PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
MARY E. VOLZ SCHOOL WINDOWS AND OTHER EXTERIOR REPLACEMENT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Cancellation	Totals	Revised Authorized Cost
Revenues and Other Financing Sources					
State Sources - SDA Grant	\$ 1,068,065	\$		\$ 1,068,065	\$ 1,278,074
Transfer from Capital Reserve Funds	928,769		(76,243)	852,526	1,008,738
Total Revenues	1,996,834		(76,243)	1,920,591	2,286,812
Expenditures and Other Financing Uses					
Architectural Costs	155,965			155,965	169,394
Construction Services	1,764,626			1,764,626	2,117,418
Total Expenditures	1,920,591			1,920,591	2,286,812
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 76,243	\$	(76,243)	\$	\$

Additional project information:

DOE Project Number	4590-040-14-1003
SDA Project Number	4590-040-14-G3EY
Grant Number	G5-6226
Grant Date/Letter of Notification	2/24/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	\$2,286,812
Additional Authorized Cost	N/A
Revised Authorized Cost	\$2,286,812
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	12/31/15
Revised Target Completion Date	3/29/2016

PROPRIETARY FUND DETAIL STATEMENTS

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

Food Services Fund – This fund provides for the operation of food services in all schools within the school district.

RUNNEMEDE BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2021 AND 2020

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2021	2020
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 19,298	\$ 14,333	\$ 33,631	\$ 12,428
Accounts Receivable:				
State	2,344		2,344	1,110
Federal	28,515		28,515	47,441
Other		1,420	1,420	6,250
Inventory	11,036		11,036	2,689
Total Current Assets	<u>61,193</u>	<u>15,753</u>	<u>76,946</u>	<u>69,918</u>
Fixed Assets:				
Equipment	54,344		54,344	22,679
Accumulated Depreciation	(6,839)		(6,839)	(5,261)
Total Fixed Assets	<u>47,505</u>		<u>47,505</u>	<u>17,418</u>
Total Assets	<u>108,698</u>	<u>15,753</u>	<u>124,451</u>	<u>87,336</u>
LIABILITIES:				
Current Liabilities:				
Accounts Payable	1,874	544	2,418	1,877
Interfund Payable	35,138		35,138	8,429
Unearned Revenue	4,402	1,529	5,931	12,209
Total Current Liabilities	<u>41,414</u>	<u>2,073</u>	<u>43,487</u>	<u>22,515</u>
Non-Current Liabilities:				
Compensated Absences	12,465	5,648	18,113	28,588
Total Liabilities	<u>53,879</u>	<u>7,721</u>	<u>61,600</u>	<u>51,103</u>
Transfer from Enterprise Fund				
Invested in Capital Assets Net of Related Debt	47,505		47,505	17,418
Unrestricted	7,314	8,032	15,346	18,815
Total Net Position	<u>\$ 54,819</u>	<u>\$ 8,032</u>	<u>\$ 62,851</u>	<u>\$ 36,233</u>

RUNNEMEDE BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2021 AND 2020

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2021	2020
OPERATING REVENUES:				
Local Sources:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$	\$	\$	\$ 33,670
School Breakfast Program				2,365
Total Daily Sales - Reimbursable Programs				36,035
Daily Sales Non-Reimbursable Programs	2,418		2,418	36,014
Program Fees		117,879	117,879	247,017
Total Operating Revenue	2,418	117,879	120,297	319,066
OPERATING EXPENSES:				
Salaries	109,576	84,649	194,225	324,286
Employee Benefits	1,074		1,074	14,041
Supplies and Materials	33,952	9,263	43,215	51,276
Building Usage	60,000	10,000	70,000	77,065
Cost of Sales - Reimbursable Programs	219,705		219,705	148,839
Cost of Sales - Non Reimbursable Programs	641		641	16,753
Depreciation	2,060		2,060	1,405
Other	2,333	1,440	3,773	2,919
Total Operating Expenses	429,341	105,352	534,693	636,584
Operating Income (Loss)	(426,923)	12,527	(414,396)	(317,518)
Non-Operating Revenues:				
State Sources:				
State School Lunch Program	10,735		10,735	3,663
Federal Sources:				
School Breakfast Program	163,292		163,292	77,028
National School Lunch Program	260,111		260,111	158,126
Food Distribution Program	12,805		12,805	14,727
Interest	18		18	178
Total Non-Operating Revenues	446,961		446,961	253,722
Net Income before Operating Transfers	20,038	12,527	32,565	(63,796)
Fixed Asset Adjustment	(5,947)		(5,947)	
Net Income (Loss)	14,091	12,527	26,618	(63,796)
Net Position - July 1	40,728	(4,495)	36,233	100,029
Net Position - June 30	\$ 54,819	\$ 8,032	\$ 62,851	\$ 36,233

RUNNEMEDE BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2021 AND 2020

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2021	2020
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 2,418	\$ 117,879	\$ 120,297	\$ 319,066
Payments to Employees	(109,576)	(83,119)	(192,695)	(320,168)
Payments for Employee Benefits	(1,074)		(1,074)	(14,041)
Payments to Suppliers	(275,880)	(25,507)	(301,387)	(312,204)
Net Cash Provided by (Used for) Operating Activities	(384,112)	9,253	(374,859)	(327,347)
Cash Flows from Non-Capital Financing Activities				
State Sources	10,735		10,735	3,663
Federal Sources	423,403		423,403	235,154
Net Cash Provided by (Used for) Operating Activities	434,138		434,138	238,817
Cash Flows from Capital and Related Financing Activities				
Purchases of Capital Assets	(2,956)		(2,956)	
Transfer to General Fund for Purchase of Fixed Asset	(35,138)		(35,138)	
Net Cash Provided by (Used for) Capital and Related Financing Activities	(38,094)		(38,094)	
Cash Flows from Investing Activities				
Interest and Dividends	18		18	178
Net Cash Provided by (Used for) Investing Activities	18		18	178
Net Increase (Decrease) in Cash and Cash Equivalents	11,950	9,253	21,203	(88,352)
Balances - Beginning of Year	7,348	5,080	12,428	100,780
Balances - End of Year	\$ 19,298	\$ 14,333	\$ 33,631	\$ 12,428
Operating Income (Loss)				
Operating Income (Loss)	\$ (426,923)	\$ 12,527	\$ (414,396)	\$ (317,518)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:				
Depreciation	2,060		2,060	1,405
Food Distribution Program	12,805		12,805	14,727
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	19,845	2,677	22,522	(41,390)
(Increase)/Decrease in Interfund Receivable				
(Increase)/Decrease in Inventory	(8,347)		(8,347)	(608)
Increase/(Decrease) in Accounts Payable	(3)	544	541	1,877
Increase/(Decrease) in Interfund Payable	28,709	(2,000)	26,709	
Increase/(Decrease) in Unearned Revenue	(253)	(6,025)	(6,278)	6,133
Increase/(Decrease) in Compensated Absences	(12,005)	1,530	(10,475)	8,027
Total Adjustments	42,811	(3,274)	39,537	(9,829)
Net Cash Used by Operating Activities	\$ (384,112)	\$ 9,253	\$ (374,859)	\$ (327,347)

STATISTICAL SECTION

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$ 3,218,217	\$ 3,226,844	\$ 3,604,197	\$ 3,473,772	\$ 6,191,760	\$ 6,302,315	\$ 6,766,255	\$ 7,584,335	\$ 8,097,502	\$ 8,614,874
Restricted	1,630,994	2,424,411	3,154,832	4,005,111	3,553,871	3,619,074	2,702,504	2,325,918	1,969,265	2,359,140
Unrestricted (Deficit)	(449,818)	(525,195)	(570,933)	(3,377,588)	(3,605,300)	(4,061,889)	(3,663,750)	(4,090,221)	(4,422,321)	(4,251,091)
Total Governmental Activities Net Position	\$ 4,399,393	\$ 5,126,060	\$ 6,188,096	\$ 4,101,295	\$ 6,140,331	\$ 5,859,500	\$ 5,805,009	\$ 5,820,032	\$ 5,644,446	\$ 6,722,923
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	\$ 7,974	\$ 7,001	\$ 6,164	\$ 5,301	\$ 6,675	\$ 7,775	\$ 13,638	\$ 18,823	\$ 17,418	\$ 47,505
Restricted										
Unrestricted	32,868	41,041	3,410	52,058	122,911	229,230	110,499	81,206	18,815	15,346
Total Business-Type Activities Net Position	\$ 40,842	\$ 48,042	\$ 9,574	\$ 57,359	\$ 129,586	\$ 237,005	\$ 124,137	\$ 100,029	\$ 36,233	\$ 62,851
District-Wide										
Invested in Capital Assets, Net of Related Debt	\$ 3,226,191	\$ 3,233,845	\$ 3,610,361	\$ 3,479,073	\$ 6,198,435	\$ 6,310,090	\$ 6,779,893	\$ 7,603,158	\$ 8,114,920	\$ 8,662,379
Restricted	1,630,994	2,424,411	3,154,832	4,005,111	3,553,871	3,619,074	2,702,504	2,325,918	1,969,265	2,359,140
Unrestricted (Deficit)	(416,950)	(484,154)	(567,523)	(3,325,530)	(3,482,389)	(3,832,659)	(3,553,251)	(4,009,015)	(4,403,506)	(4,235,745)
Total District-Wide Net Position	\$ 4,440,235	\$ 5,174,102	\$ 6,197,670	\$ 4,158,654	\$ 6,269,917	\$ 6,096,505	\$ 5,929,146	\$ 5,920,061	\$ 5,680,679	\$ 6,785,774

Source: CAFR Schedule A-1

RUNNEMEDE SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental Activities										
Instruction										
Regular	\$ 3,588,329	\$ 3,770,924	\$ 3,770,924	\$ 3,652,476	\$ 3,723,081	\$ 3,665,945	\$ 3,647,840	\$ 3,988,177	\$ 4,865,945	\$ 4,880,096
Special Education	1,117,505	1,205,619	1,205,619	1,253,654	1,343,669	1,355,424	1,376,517	1,252,223	986,992	994,013
Other Instruction	208,999	215,467	215,467	307,713	247,082	436,257	452,420	476,511	402,014	314,943
Support Services										
Tuition	605,307	569,265	569,265	413,871	587,144	537,393	548,059	310,457	505,589	223,339
Student and Instruction Related Serv.	1,329,739	1,380,450	1,380,450	1,575,472	1,563,987	1,813,863	1,970,776	2,440,148	2,148,367	2,347,148
General and Business Admin. Service	568,737	607,624	607,624	551,467	634,012	628,650	638,583	646,582	677,394	733,755
School Administrative Services	339,475	350,477	350,477	356,589	359,987	371,070	385,651	401,802	401,192	377,997
Plant Operations and Maintenance	708,219	653,349	653,349	878,185	862,926	981,652	901,295	1,167,168	1,159,199	1,120,165
Pupil Transportation	226,354	264,384	264,384	311,425	334,143	265,451	284,728	261,415	264,587	159,796
Unallocated Employee Benefits	3,012,067	3,234,907	3,234,907	4,544,444	5,516,621	6,625,523	7,939,503	7,445,632	5,355,079	7,819,341
Amortization of Debt Issue Costs	2,349									
Interest on Long-Term Debt	9,303									
Unallocated Depreciation	79,622	118,484	118,484	163,077	157,380	157,971	175,059	212,928	338,140	345,873
Total Governmental Activities Expenses	11,796,005	12,370,950	12,370,950	14,008,373	15,330,032	16,839,199	18,320,431	18,603,043	17,104,498	19,316,466
Business-Type Activities										
Food Service										
Before and After Care	245,745	238,344	257,015	220,927	235,577	268,621	271,061	282,521	310,228	429,341
						118,673	159,801	274,632	326,356	105,352
Total Business-Type Activities Expense	245,745	238,344	257,015	220,927	235,577	387,294	430,862	557,153	636,584	534,693
Total District Expenses	\$ 12,041,750	\$ 12,609,294	\$ 12,627,965	\$ 14,229,300	\$ 15,565,609	\$ 17,226,493	\$ 18,751,293	\$ 19,160,196	\$ 17,741,082	\$ 19,851,159
Program Revenues										
Governmental Activities										
Operating Grants and Contributions										
Total Gov't Activities Program Rev.	1,480,710	1,695,295	1,356,237	1,482,350	1,480,781	1,539,925	1,500,844	1,978,302	2,444,576	3,075,868
Total Gov't Activities Program Rev.	1,480,710	1,695,295	1,356,237	1,482,350	1,480,781	1,539,925	1,500,844	1,978,302	2,444,576	3,075,868
Business-Type Activities										
Charges for Services										
Food Service	73,929	73,395	73,166	92,106	109,190	112,304	96,514	100,104	72,049	2,418
Before and After Care						195,681	207,729	274,540	247,017	117,879
Operating Grants and Contributions	124,896	133,795	121,877	151,602	198,606	186,715	163,745	158,238	253,544	446,943
Total Bus.-Type Activities Prog. Rev.	198,825	207,190	195,043	243,708	307,796	494,700	467,988	532,882	572,610	567,240
Total District Program Revenues	\$ 1,679,535	\$ 1,902,485	\$ 1,551,280	\$ 1,726,058	\$ 1,788,577	\$ 2,034,625	\$ 1,968,832	\$ 2,511,184	\$ 3,017,186	\$ 3,643,108
Net (Expense)/Revenue	\$ (10,315,295)	\$ (10,675,655)	\$ (11,098,506)	\$ (12,526,023)	\$ (13,840,236)	\$ (15,273,879)	\$ (16,796,708)	\$ (16,624,741)	\$ (14,659,922)	\$ (16,228,613)
Business-Type Activities	(46,920)	(31,154)	(61,972)	22,781	72,219	107,406	37,126	(24,271)	(63,974)	32,547
Total District-Wide Net Expense	\$ (10,362,215)	\$ (10,706,809)	\$ (11,160,478)	\$ (12,503,242)	\$ (13,768,017)	\$ (15,166,473)	\$ (16,759,582)	\$ (16,649,012)	\$ (14,723,896)	\$ (16,196,066)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied - General Purp										
Taxes Levied for Debt Service	5,071,086	4,806,705	5,273,763	6,535,674	7,089,901	7,035,809	7,176,525	7,320,055	7,466,456	7,541,121
Unrestricted Grants and Contributions	6,300,716	6,551,576	6,466,280	6,699,260	8,578,851	7,919,240	9,388,814	9,164,492	6,932,666	9,464,578
Investment Earnings	687	1,361	1,126	1,070	1,094	1,072	5,299	23,100	16,987	699
Miscellaneous Income	67,604	90,141	178,164	122,516	227,453	113,982	85,746	198,167	50,098	176,345
Other Adjustments	244,207	(38,350)	(23,500)	(35,381)	(7,367)	(7,367)	(23,532)	(23,532)	(25,561)	
Transfers	(48,060)	(9,111)	(9,013)	(9,070)	(18,027)	(69,688)	(64,167)	(42,518)	(31,310)	(32,112)
Total Governmental Activities	11,636,240	11,402,322	11,886,820	13,314,069	15,879,272	14,993,048	16,592,217	16,639,764	14,409,336	17,150,631
Business-Type Activities										
Investment Earnings										
Other Adjustments	9	4	4	4	8	13	6	163	178	18
Transfers	(1,094)	38,350	297,222	25,000						(5,947)
Total Business-Type Activities	46,975	38,354	297,226	25,004	8	13	(149,994)	163	178	(5,929)
Total District-Wide	\$ 11,683,215	\$ 11,440,676	\$ 12,184,046	\$ 13,339,073	\$ 15,879,280	\$ 14,993,061	\$ 16,442,223	\$ 16,639,927	\$ 14,409,514	\$ 17,144,702
Change in Net Position										
Governmental Activities										
Business-Type Activities	\$ 1,320,945	\$ 726,667	\$ 788,314	\$ 788,046	\$ 2,039,036	\$ (280,831)	\$ (54,491)	\$ 15,023	\$ (175,586)	\$ 922,018
	55	7,200	235,254	47,785	72,227	107,419	(112,868)	(24,108)	(63,796)	26,618
Total District-Wide	\$ 1,321,000	\$ 733,867	\$ 1,023,568	\$ 835,831	\$ 2,111,263	\$ 173,412	\$ (167,359)	\$ (9,085)	\$ (239,382)	\$ 948,636

Source: CAFR Schedule A-2

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Reserved:	\$ 1,383,411	\$ 427,522	\$	\$	\$	\$	\$	\$	\$	\$
Excess Surplus			716,546	666,782	803,460	659,656	293,017	300,890	295,306	191,709
Maintenance Reserve			200,000	700,000	700,000	837,149	692,149	692,428	692,149	692,428
Capital Reserve			1,369,944	377,010	877,485	1,155,000	1,598,434	1,213,696	862,906	1,325,000
Reserve for Unemployment Compensation										136,469
Assigned										
Year End Encumbrances			103,192	26,388	110,360	623	59,484	72,945	46,059	16,955
Subsequent Year's Expenditures			733,059	2,234,931	720,294	847,742	686,340	452,759	542,801	536,955
Unassigned (Deficit)	242,594	(140,989)	(181,593)	(128,240)	(151,953)	(166,866)	(123,841)	(92,186)	(155,830)	67,520
Total General Fund	\$ 1,626,005	\$ 286,533	\$ 2,941,148	\$ 3,876,871	\$ 3,059,646	\$ 3,333,304	\$ 3,205,583	\$ 2,640,532	\$ 2,283,391	\$ 2,967,036
All Other Governmental Funds										
Reserved	\$ 3,072	\$	\$	\$	\$	\$	\$	\$	\$	\$
Committed - Capital Project Fund	29,019	32,091	32,091		342,272	118,904	118,904	118,904	118,904	-
Unassigned (Deficit)								(57,055)	(92,887)	(91,434)
Total All Other Governmental Funds	\$ 32,091	\$ 32,091	\$ 32,091	\$	\$ 342,272	\$ 118,904	\$ 118,904	\$ 61,849	\$ 26,017	\$ (91,434)

Source: CAFR Schedule B-1

RUNNEMEDE SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax Levy	\$ 6,551,796	\$ 6,502,000	\$ 6,630,000	\$ 6,762,600	\$ 6,897,852	\$ 7,035,809	\$ 7,176,525	\$ 7,320,055	\$ 7,466,456	\$ 7,541,121
Tuition	49,209	49,015	169,449	80,144	64,552	52,669	41,688	96,773	15,941	13,901
Interest Earnings	687	1,361	1,126	1,070	1,094	1,072	5,299	23,100	16,987	699
Miscellaneous	18,395	41,126	8,715	42,372	162,901	61,313	44,058	26,894	34,157	162,444
Rent								74,500		
State Sources	5,656,260	6,014,785	5,934,615	6,164,241	8,066,138	6,557,760	6,930,645	8,070,101	9,065,116	9,572,205
Federal Sources	644,456	536,791	531,665	535,019	512,713	565,741	521,141	513,816	491,009	805,363
Total Revenues	12,920,803	13,145,078	13,275,570	13,585,446	15,705,250	14,274,364	14,719,356	16,125,239	17,089,666	18,095,733
Expenditures										
Instruction										
Regular Instruction	3,577,043	3,770,924	3,608,552	3,635,082	3,706,295	3,657,674	3,645,161	3,984,919	4,862,222	4,874,188
Special Education Instruction	1,117,505	1,205,619	1,192,569	1,253,654	1,343,669	1,355,424	1,376,517	1,252,223	986,992	994,013
Other Instruction	208,999	215,467	249,280	307,713	247,082	436,257	452,420	476,511	402,014	314,943
Support Services										
Tuition	605,307	569,265	399,883	413,871	587,144	537,393	548,059	310,457	505,589	223,339
Student and Instruction Related Services	1,329,739	1,380,450	1,418,875	1,575,472	1,554,972	1,788,468	1,947,897	2,440,148	2,148,367	2,347,148
School Administrative Services	367,591	395,532	403,423	370,349	371,705	394,269	401,209	422,224	416,248	396,603
General Administrative Services	539,191	562,569	614,220	525,500	598,831	593,504	611,921	612,675	643,790	694,466
Plant Operations and Maintenance	613,830	653,349	767,145	866,079	862,926	957,297	884,742	1,147,060	1,139,861	1,101,390
Pupil Transportation	226,354	264,384	290,743	311,425	334,143	265,451	270,534	244,164	245,163	140,372
Business and Other Support Services	3,057,764	3,292,419	3,299,905	3,303,859	3,639,792	3,848,183	4,110,921	4,705,804	5,238,182	5,639,390
Capital Outlay	97,581	127,111	344,977	74,359	2,915,617	313,099	683,529	1,108,642	937,901	928,035
Debt Service										
Principal	250,000									
Interest and Other Charges	13,125									
Total Expenditures	12,004,029	12,437,089	12,589,572	12,637,363	16,162,176	14,147,019	14,932,910	16,704,827	17,526,329	17,653,887
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	916,774	707,989	685,998	948,083	(456,926)	127,345	(213,554)	(579,588)	(436,663)	441,846
Other Financing Sources (Uses)										
Transfers, Net	(48,060)	(38,350)	(23,500)	(25,000)			150,000		75,000	
Cancellation of prior year Receivable				(10,381)		(7,367)				
Transfer to Charter School		(9,111)	(9,013)	(9,070)	(18,027)	(69,688)	(64,167)	(42,518)	(31,310)	(32,112)
Total Other Financing Sources (Uses)	(48,060)	(47,461)	(32,513)	(44,451)	(18,027)	(77,055)	85,833	(42,518)	43,690	(32,112)
Net Change in Fund Balances	\$ 868,714	\$ 660,528	\$ 653,485	\$ 903,632	\$ (474,953)	\$ (50,290)	\$ (127,721)	\$ (622,106)	\$ (392,973)	\$ 409,734
Debt Service as a Percentage of										
Noncapital Expenditures	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: CAFR Schedule B-2

RUNNEMEDE SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Transportation</u> <u>Fees</u>	<u>Rent</u>	<u>Miscellaneous</u>	<u>Total</u>
2021	\$ 699	\$ 13,901	\$	\$	\$	\$ 150,459	\$ 165,059
2020	16,987	15,941				34,157	67,085
2019	23,100	96,773	20,991	5,254	74,500	649	221,267
2018	5,299	41,688	249	7,859		35,950	91,045
2017	1,072	52,669	30,017	40,555		305	124,618
2016	1,094	64,552	117,678			3,703	187,027
2015	162,901	80,144	12,205			25,857	281,107
2014	42,372	169,449	4,529			2,124	218,474
2013	8,715	49,015	30,583			5,297	93,610
2012	41,126	1,126	4,658			3,746	50,656

Source: District Records

RUNNEMEDE SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual County Equalized Value
2021	\$ 3,779,700	\$ 382,933,100	\$ 70,157,700	\$ 18,726,200	\$ 26,719,000	\$ 502,315,700	\$ 1,137,434	\$ 503,453,134	1.498	\$ 592,213,747
2020	3,753,600	381,654,200	72,649,000	16,397,100	26,719,000	501,172,900	1,095,462	502,268,362	1.494	532,554,294
2019	3,867,600	380,498,300	73,614,400	16,397,100	26,719,000	501,096,400	1,099,979	502,196,379	1.494	517,387,346
2018	3,772,500	380,223,700	73,704,600	16,397,100	26,719,000	500,816,900	1,094,220	501,911,120	1.445	514,270,861
2017	3,765,000	380,802,400	75,358,500	16,397,100	26,719,000	503,042,000	1,061,965	504,103,965	1.410	506,449,375
2016	3,884,400	380,679,000	75,988,800	16,597,100	26,719,000	503,868,300	1,053,284	504,921,584	0.000	526,728,129
2015	3,876,000	381,090,800	75,673,700	16,597,100	26,843,000	504,080,600	1,048,625	505,129,225	1.353	526,944,737
2014	4,354,200	380,658,400	74,854,600	18,574,500	27,118,900	505,560,600	1,021,763	506,582,363	1.294	515,762,943
2013	4,788,500	381,511,400	73,710,800	19,241,100	27,118,900	506,370,700	1,242,127	507,612,827	1.294	549,113,180
2012	3,097,500	257,928,600	45,472,800	12,060,100	14,752,700	333,311,700	943,609	334,255,309	1.953	591,488,940

Source: District records Tax list summary & 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, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

c Estimate

RUNNEMEDE SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate Per \$100 of Assessed Value)
(UNAUDITED)

Year Ended June 30,	Runnemede School District			Overlapping Rates			
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Borough of Runnemede	Regional School	Camden County	Total
2021	\$ 1.498	\$ 0.000	\$ 1.498	\$ 1.149	\$ 0.609	\$ 0.874	\$ 4.130
2020	1.494	0.000	1.494	1.160	0.609	0.826	4.089
2019	1.472	0.000	1.472	1.117	0.604	0.821	4.014
2018	1.445	0.000	1.445	1.073	0.577	0.842	3.937
2017	1.410	0.000	1.410	1.055	0.549	0.822	3.836
2016	1.380	0.000	1.380	1.012	0.559	0.837	3.788
2015	1.353	0.000	1.353	1.012	0.588	0.846	3.799
2014	1.378	0.000	1.378	0.984	0.568	0.802	3.732
2013	1.259	0.035	1.294	0.998	0.566	1.255	4.113
2012	1.953	0.000	1.953	1.425	0.869	1.124	5.371

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the District can submit for a general fund tax levy . The levy when added to other components of the District's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

RUNNEMEDE SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
FP-Gimel NJ LP	\$ 13,365,500	2.66%		
TNJ Properties LLC	10,205,100	2.03%		
The Meadows at Runnemede Investors	10,056,800	2.00%		
EIL Investment LP	9,114,000	1.81%		
HDDA Runnemede LLC	4,338,800	0.86%	Not Available	
East Coast Enterprises INC	3,273,600	0.65%		
Sintara Corp	3,000,000	0.60%		
Runnemede Associates	2,966,500	0.59%		
Runnemede Equities LLC	2,459,000	0.49%		
East Clements Bridge Road LLC	1,484,600	0.30%		
Total	\$ 60,263,900	12.00%	\$ -	0.00%

Source: District CAFR & Municipal Tax Assessor

RUNNEMEDE SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>% of Levy</u>	
2021	\$ 7,541,121	\$7,541,121	100.00%	
2020	7,466,456	7,466,456	100.00%	
2019	7,320,055	7,320,055	100.00%	
2018	7,176,525	6,578,481	91.67%	598,044
2017	7,035,809	6,897,852	94.23%	
2016	6,897,852	6,897,852	96.12%	
2015	6,897,852	6,630,000	94.26%	
2014	6,630,000	6,502,000	98.04%	
2013	6,502,000	6,374,873	100.00%	
2012	6,374,873	6,374,873	100.00%	

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

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

RUNNEMEDE SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2021	\$	\$	\$	\$	\$		\$	
2020								
2019								
2018								
2017								
2016								
2015								
2014								
2013								
2012								

Source: District CAFR Schedules I-1, I-2

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2021	\$	\$	\$	\$	
2020					
2019					
2018					
2017					
2016					
2015					
2014					
2013					
2012					

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-13.

If a District has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

RUNNEMEDE SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Borough of Runnemede	\$ 9,065,384		\$ 9,065,384
Camden County General Obligation Debt	485,294,543	1.36%	6,597,338
Black Horse Pike Regional High School District			
Subtotal, Overlapping Debt			<u>15,662,722</u>
Runnemede School District Direct Debt			
Total Direct and Overlapping Debt			<u><u>\$ 15,662,722</u></u>

Sources: Camden County Board of Taxation

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

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

**RUNNEMEDE SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Equalized Valuation Basis	
2020	\$ 550,014,157
2019	529,588,248
2018	514,185,729
	[A] \$ 1,593,788,134
Average Equalized Valuation of Taxable Property	[A/3] \$ 531,262,711
Debt Limit (3% of Average Equalization Value)	[B] \$ 15,937,881 ^a
Net Bonded School Debt	[C]
Legal Debt Margin	[B-C] \$ 15,937,881

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 17,185,675	\$ 10,762,856	\$ 16,045,255	\$ 15,674,001	\$ 15,449,574	\$ 15,210,902	\$ 15,206,183	\$ 15,321,810	\$ 15,573,966	\$ 15,937,881
Total Net Debt Applicable to Limit										
Legal Debt Margin	\$ 17,185,675	\$ 10,762,856	\$ 16,045,255	\$ 15,674,001	\$ 15,449,574	\$ 15,210,902	\$ 15,206,183	\$ 15,321,810	\$ 15,573,966	\$ 15,937,881
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: Abstract of Ratables and District Records CAFR Schedule J-7

^a Limit set by NJSA 18A:24-19 for a K through 8 District; other % limits would be applicable for other Districts

RUNNEMEDE SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2021 *	8,271	\$ 462,263,960	\$ 55,892	10.2%
2020	8,279	460,071,652	55,836	10.7%
2019	8,301	491,894,498	55,780	4.3%
2018	8,315	460,110,875	53,740	4.6%
2017	8,319	431,313,692	51,889	4.8%
2016	8,331	415,133,880	50,230	5.8%
2015	8,328	404,919,675	48,869	6.4%
2014	8,342	389,232,765	46,926	8.4%
2013	8,375	377,499,920	45,255	10.1%
2012	8,424	374,823,500	44,608	11.7%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income

^c Per Capita

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

* Estimate

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

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Cooper Health System				
American Water Works				
Bancroft NeuroHealth				
Campbell Soup Co.				
		Not Available		Not Available
Diocese of Camden NJ, Inc.				
Kennedy University Hospital				
Virtua - West Jersey Health System				
Our Lady of Lourdes Med. Ctr.				
Global Aluminum (USA)				
Lockheed Martin				

*Information from Camden County Website. The number of employees per company was not given.

RUNNEMEDE SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	67	57	57	59	55	55	55	59	65	65
Special Education	20	28	16	17	15	17	18	17	13	14
Support Services:										
Tuition										
Student & Instruction Related Service	15	17.5	32	34	39.1	39	40.5	39	36	36
General Administrative Services	2	2	2	2	2	2	2	2	2	2
School Administrative Services	7	8	7	9	9	9	9	9	7.6	9.6
Business Administrative Services	3	3	5.5	5	6.4	6	6.4	6.4	6.4	6.4
Plant Operations and Maintenance	12	12.5	9.5	9.5	11	12	12	12.5	14.5	12.5
Food Service		4	4	3	3	3	3	3.5	3.5	4
Total	<u>126</u>	<u>132</u>	<u>133</u>	<u>139</u>	<u>141</u>	<u>143</u>	<u>146</u>	<u>148</u>	<u>148</u>	<u>150</u>

Source: District Personnel Records

RUNNEMEDE SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
 (UNAUDITED)

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio</u>		<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
						<u>Elementary</u>	<u>Middle</u>				
2021	837	\$ 16,725,852	\$ 19,983	28.4%	79	1:10	1:12	835.49	794.14	-2.94%	95.05%
2020	867	16,588,428	19,133	22.9%	78	1:11	1:11	859.85	831.16	3.61%	96.66%
2019	840	15,596,185	18,567	19.3%	76	1:11	1:11	829.15	788.09	-2.50%	95.05%
2018	852	14,249,381	16,725	15.8%	79	1:11	1:10	850.6	807.3	-0.60%	94.91%
2017	850	13,833,920	16,275	12.7%	79	1:11	1:10	854.6	814	-0.13%	95.25%
2016	851	13,246,559	15,566	7.8%	77	1:11	1:10	857.8	815	0.25%	95.01%
2015	870	12,563,004	14,440	-0.9%	78	1:13	1:09	855.7	812.5	1.65%	94.95%
2014	840	12,243,465	14,576	1.0%	81	1:12	1:90	841.8	799.04	-1.60%	94.92%
2013	853	12,309,978	14,431	4.5%	86	1:11	1:10	855.5	810.3	1.64%	94.72%
2012	862	11,906,448	13,813	-6.9%	82	1:08	1:12	841.7	801.7	1.29%	95.25%

Sources: District records; ASSA

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

RUNNEMEDE SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
 (UNAUDITED)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>District Building</u>										
<u>Elementary</u>										
Bingham Elementary (1929)										
Square Feet	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050
Capacity (Students)	191	191	191	191	191	191	191	191	191	191
Enrollment	208	195	194	210	188	183	180	172		176
Downing Elementary (1930)										
Square Feet	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315
Capacity (Students)	162	162	162	162	162	162	162	162	162	162
Enrollment	170	177	168	159	160	169	184	172		141
<u>Middle School</u>										
Volz Middle School (1956)										
Square Feet	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70,268
Capacity (Students)	468	468	468	468	468	468	468	468	468	468
Enrollment	464	481	478	501	503	498	488	496		520
<u>Other</u>										
Garage										
Square Feet	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132

Number of Schools at June 30, 2021
 Elementary = 2
 Middle = 1
 High School = 0
 Other = 1

Source: District records, ASSA

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

RUNNEMEDE SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(UNAUDITED)

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

<u>School Facilities</u>	<u>Gross Square Footage</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Bingham School	25,050	\$ 63,813	\$ 32,955	\$ 31,511	\$ 40,032	\$ 30,464	\$ 22,126	\$ 13,781	\$ 26,960	\$ 22,500	\$ 16,720
Downing School	23,315	51,852	29,202	42,176	42,585	34,375	19,654	16,543	19,995	17,973	13,631
Volz School	70,268	86,197	64,858	117,253	62,064	114,203	88,845	84,184	44,401	49,407	42,974
Total School Facilities		<u>201,862</u>	<u>127,015</u>	<u>190,940</u>	<u>144,681</u>	<u>179,042</u>	<u>130,625</u>	<u>114,508</u>	<u>91,356</u>	<u>89,880</u>	<u>73,325</u>
Other Facilities	2,132										
Grand Total		<u>\$ 201,862</u>	<u>\$ 127,015</u>	<u>190,940</u>	<u>\$ 144,681</u>	<u>\$ 179,042</u>	<u>\$ 130,625</u>	<u>\$ 114,508</u>	<u>\$ 91,356</u>	<u>\$ 89,880</u>	<u>\$ 73,325</u>

RUNNEMEDE SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (UNAUDITED)

Company			
Type of Coverage		Coverage	Deductible
NJ School Boards Association			
Insurance Group			
Building and Contents (All Locations)			
Blanket Real & Personal Property		\$ 500,000,000	\$ 5,000
Blanket Extra Expense		50,000,000	5,000
Equipment Breakdown		100,000,000	25,000
Valuable Papers		10,000,000	5,000
Pollutant Cleanup & Removal		250,000	5,000
General Liability		11,000,000	
Automobile Liability		11,000,000	
Worker's Compensation			
Professional & Clerical		7,626,174	
Non-Professional & Driver		543,793	
Employer		3,000	
Crime & Bonds			
Faithful Performance		250,000	1,000
Forgery & Alteration		25,000	500
Money & Securities		10,000	500
Money Orders/Counterfeit		25,000	500
Computer Fraud		100,000	500
Catastrophic Student Accident Coverage			
Accident Medical Expense Benefit		6,000,000	
Catastrophic Cash Benefit		1,000,000	
Surety Bonds			
Treasurer		200,000	1,000
Board Secretary		50,000	1,000

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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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
Runnemede School District
County of Camden, New Jersey 08078

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education of the Runnemede School District's basic financial statements, and have issued our report thereon dated January 27, 2022.

Internal Control Over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Runnemede Board of Education's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
January 27, 2022

NIGHTLINGER, COLAVITA & VOLPA

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Runnemede School District
County of Camden, New Jersey 08078

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Runnemede School District's major federal and state programs for the year ended June 30, 2021. The Runnemede Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

An audit includes examining, on a test basis, evidence about the Runnemede Board of Education's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Runnemede Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Board of Education of the Runnemede 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 its major federal and state programs for the fiscal year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance considered to be material weaknesses, as defined above or any instance of deficiency in internal control over compliance that we have to report to the Board of Education in a separate report entitled Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated January 27, 2022. However, material weaknesses may exist that have not been identified.

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

Respectfully Submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant No. 915
January 27, 2022

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Schedule A
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2020	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Adjustment / Repayment of Prior Year Balance	Balance at June 30, 2021					
					From	To							(Accounts Receivable)	Unearned Revenue	Due to Grantor			
U.S. Department of Education																		
General Fund																		
Medicaid Assistance Program	93.778	2005NJ5MAP	N/A	\$ 29,269	7/1/20	6/30/21		\$ 29,269	\$ (29,269)		\$ (29,269)							
FEMA Proceeds	97.036	4488DRNJ0000001	N/A	55,018	7/1/20	6/30/21		55,018	(55,018)		(55,018)							
Total General Fund								84,287	(84,287)		(84,287)							
U.S. Department of Agriculture																		
Passed-through State Department of Education:																		
Enterprise Fund:																		
Child Nutrition Cluster:																		
Cash Assistance:																		
School Breakfast Program	10.553	201NJ304N1099	N/A	77,028	7/1/19	6/30/20	\$ (18,311)	18,311										
School Breakfast Program	10.553	211NJ304N1099	N/A	163,292	7/1/20	6/30/21		152,295	(163,292)		(163,292)			\$ (10,997)				
National School Lunch Prog.	10.555	201NJ304N1099	N/A	158,126	7/1/19	6/30/20	(29,130)	29,130										
National School Lunch Prog.	10.555	211NJ304N1099	N/A	260,111	7/1/20	6/30/21		242,593	(260,111)		(260,111)			(17,518)				
Non-Cash Assistance:																		
Food Distribution Program	10.565	Unknown	N/A	12,805	7/1/20	6/30/21		12,805	(12,770)		(12,770)				\$ 35			
Total Enterprise Fund								(47,441)	455,134	(436,173)	(436,173)			(28,515)	35			
U.S. Department of Education																		
Passed-through State Department of Education:																		
Special Revenue Fund:																		
ESEA																		
Title I	84.010	S010A190030	ESEA4590-20	160,978	7/1/19	9/30/20	(24,173)	24,173										
Title I	84.010	S010A200030	ESEA4590-21	164,342	7/1/20	9/30/21		162,308	(163,489)		(163,489)			(1,181)				
Title II A	84.367A	S367A190029	ESEA4590-20	20,603	7/1/19	9/30/20	(2,136)	2,136										
Title II A	84.367A	S367A200029	ESEA4590-21	24,188	7/1/20	9/30/21		22,700	(22,993)		(22,993)			(293)				
Title IV A	84.424A	S424A190031	ESEA4590-20	10,032	7/1/19	9/30/20	(311)	311										
Title IV A	84.424A	S424A200031	ESEA4590-21	11,888	7/1/20	9/30/21		11,853	(11,853)		(11,853)							
IDEA Cluster:																		
I.D.E.A. Part B, Pre-school	84.173	H173A200114	IDEAPS4590-21	12,426	7/1/20	9/30/21		12,426	(12,426)		(12,426)							
I.D.E.A. Part B Basic	84.027	H027A190100	IDEA4590-20	248,809	7/1/19	9/30/20	(4,736)	4,736										
I.D.E.A. Part B Basic	84.027	H027A200100	IDEA4590-21	281,238	7/1/20	9/30/21		269,025	(277,395)		(277,395)			(8,370)				
CARES ACT 2020/ESSER	84.425D	S425D200027	CARES4590-20	129,416	3/13/20	9/30/22	(20,540)	122,025	(101,860)		(101,860)	\$ 375						
Digital Divide	84.245D	S425D200028	N/A	67,646	7/16/20	10/31/20		67,646	(67,646)		(67,646)							
Digital Divide - Nonpublic	84.245D	S425D200029	N/A	6,134	7/16/20	10/31/20		6,134	(6,129)		(6,129)					\$ 5		
COVID Relief Fund Grant	21.019	N/A	21E00041	57,285	7/1/20	9/30/21		57,285	(57,285)		(57,285)							
Total Special Revenue Fund								(51,896)	762,758	(721,076)	(721,076)	375	(9,844)		5			
Total Federal Financial Awards								\$ (99,337)	\$ 1,302,179	\$ (1,241,536)	\$ (1,241,536)	\$ 375	\$ (38,359)	\$ 35	\$ 5			

(A) There were no awards passed through to subrecipients.

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

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE - Schedule B
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To		Balance at June 30, 2020			Cash Received	Budgetary Expenditures	Repayment of Prior Year Balance	Balance at June 30, 2021			MEMO	
					(Accounts Receivable)	Due To Grantor	Carry/Over				(Accounts Receivable)	Unearned Revenue	Due To Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:															
General Fund:															
Equalization Aid	20-495-034-5120-078	\$ 4,579,826	7/1/19	6/30/20	\$ (453,333)		\$ 453,333								
Equalization Aid	21-495-034-5120-078	4,704,668	7/1/20	6/30/21			4,235,959	\$ (4,704,668)		\$ (468,709)			* \$ (468,709)	\$ (4,704,668)	
Special Education Aid	20-495-034-5120-089	481,898	7/1/19	6/30/20	(47,701)		47,701								
Special Education Aid	21-495-034-5120-089	481,898	7/1/20	6/30/21			433,888	(481,898)		(48,010)			* (48,010)	(481,898)	
School Choice Aid	20-495-034-5120-068	105,278	7/1/19	6/30/20	(10,421)		10,421								
School Choice Aid	21-495-034-5120-068	91,534	7/1/20	6/30/21			82,415	(91,534)		(9,119)			* (9,119)	(91,534)	
Transportation Aid	20-495-034-5120-014	166,787	7/1/19	6/30/20	(16,509)		16,509								
Transportation Aid	21-495-034-5120-014	166,787	7/1/20	6/30/21			150,171	(166,787)		(16,616)			* (16,616)	(166,787)	
Security Aid	20-495-034-5120-084	175,149	7/1/19	6/30/20	(17,337)		17,337								
Security Aid	21-495-034-5120-084	175,149	7/1/20	6/30/21			157,700	(175,149)		(17,449)			* (17,449)	(175,149)	
Extraordinary Aid	20-495-034-5120-044	295,826	7/1/19	6/30/20	(295,826)		295,826								
Extraordinary Aid	21-495-034-5120-044	287,272	7/1/20	6/30/21				(287,272)		(287,272)			* (287,272)	(287,272)	
Non-public Transportation Aid	21-495-034-5120-014	3,480	7/1/20	6/30/21				(3,480)		(3,480)			* (3,480)	(3,480)	
Reimbursed TPAF Social Security Contril	20-495-034-5094-003	424,086	7/1/19	6/30/20	(20,751)		20,751								
Reimbursed TPAF Social Security Contril	21-495-034-5094-003	452,341	7/1/20	6/30/21			431,377	(452,341)		(20,964)			* (20,964)	(452,341)	
Homeless Tuition Aid	N/A	6,188	7/1/19	6/30/20	(6,188)		6,188								
Homeless Tuition Aid	N/A	12,449	7/1/20	6/30/21				(12,449)		(12,449)			* (12,449)	(12,449)	
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	1,561,643	7/1/20	6/30/21			1,561,643	(1,561,643)					* (1,561,643)	(1,561,643)	
On-Behalf TPAF Post Retirement Medica	21-495-034-5094-001	489,394	7/1/20	6/30/21			489,394	(489,394)					* (489,394)	(489,394)	
On-Behalf Long-term Disability	21-495-034-5094-004	932	7/1/20	6/30/21			932	(932)					* (932)	(932)	
Total General Fund					(868,066)		8,411,545	(8,427,547)		(884,068)			(559,903)	(8,427,547)	
Special Revenue Fund:															
Preschool Expansion Aid	20-495-034-5120-086	1,204,872	7/1/19	6/30/20	(38,492)		\$ (54,395)	92,887							
Preschool Expansion Aid	21-495-034-5120-086	1,325,680	7/1/20	6/30/21			54,395	1,220,712	(1,302,944)		(104,968)	\$ 77,131	* (104,968)	(1,302,944)	
N.J. Nonpublic Aid:															
Security Aid	20-100-034-5120-509	21,150	7/1/19	6/30/20		15				\$ (15)					
Security Aid	21-100-034-5120-509	24,675	7/1/20	6/30/21			24,675	(24,442)			\$ 233	*		(24,442)	
Textbook Aid	20-100-034-5120-064	7,432	7/1/19	6/30/20											
Textbook Aid	21-100-034-5120-064	8,614	7/1/20	6/30/21			8,614	(8,606)				8	*	(8,606)	
Nursing Aid	20-100-034-5120-070	13,677	7/1/19	6/30/20		1				(1)					
Nursing Aid	21-100-034-5120-070	14,382	7/1/20	6/30/21			14,382	(14,380)				2	*	(14,380)	
Technology Aid	20-100-034-5120-373	5,076	7/1/19	6/30/20		12				(12)					
Auxiliary Services:															
Compensatory Education Aid	20-100-034-5120-067	62,462	7/1/19	6/30/20	(6,381)	37,883	6,381		(37,883)						
Compensatory Education Aid	21-100-034-5120-067	52,255	7/1/20	6/30/21			52,255	(32,833)			19,422	*		(32,833)	
Transportation Aid	20-100-034-5120-067	13,650	7/1/19	6/30/20	(1,365)	8,250	1,365		(8,250)						
Transportation Aid	21-100-034-5120-067	15,392	7/1/20	6/30/21			15,392	(8,494)			6,898	*		(8,494)	
Handicapped Services:															
Supplemental Instruction Aid	20-100-034-5120-066	22,666	7/1/19	6/30/20	(2,353)	11,171	2,353		(11,171)						
Supplemental Instruction Aid	21-100-034-5120-066	23,475	7/1/20	6/30/21			23,475	(8,014)			15,461	*		(8,014)	
Examination & Classification Aid	20-100-034-5120-066	39,020	7/1/19	6/30/20	(13,933)	28,798	13,933		(28,798)						
Examination & Classification Aid	21-100-034-5120-066	22,489	7/1/20	6/30/21			22,489	(10,960)			11,529	*		(10,960)	
Corrective Speech	20-100-034-5120-066	21,874	7/1/19	6/30/20	(2,450)	8,932	2,450		(8,932)						
Corrective Speech	21-100-034-5120-066	20,963	7/1/20	6/30/21			20,963	(11,575)			9,388	*		(11,575)	
Total Special Revenue Fund					(64,974)	95,062	1,522,326	(1,422,248)		(95,062)	(104,968)	77,131	62,941	(104,968)	(1,422,248)
State Department of Agriculture:															
Enterprise Fund:															
School Lunch Prog.	20-100-010-3350-023	3,663	7/1/19	6/30/20	(1,110)		1,110								
School Lunch Prog.	21-100-010-3350-023	10,735	7/1/20	6/30/21			8,391	(10,735)		(2,344)			*	(10,735)	
Total Enterprise Fund					(1,110)		9,501	(10,735)		(2,344)				(10,735)	
Total State Financial Assistance					\$ (934,150)	\$ 95,062	\$ 9,943,372	\$ (9,860,530)	\$ (95,062)	\$ (991,380)	\$ 77,131	\$ 62,941	\$ (664,871)	\$ (9,860,530)	
Less: On-Behalf TPAF Pension System Contributions															
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	1,561,643	7/1/20	6/30/21			\$ 1,561,643	\$ (1,561,643)							
On-Behalf TPAF Post Retirement Medica	21-495-034-5094-001	489,394	7/1/20	6/30/21			489,394	(489,394)							
On-Behalf Long-term Disability	21-495-034-5094-004	932	7/1/20	6/30/21			932	(932)							
Total State Financial Assistance - Major Program Determinations							\$ 7,891,403	\$ (7,808,561)							

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2021

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Runnemedede School District. The Board of Education is defined in Note 1 to the Board'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 is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on 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 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey Treasury Circular OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$14,602) for the general fund and \$13,012 for the special revenue fund. See Note A (Notes to Required Supplemental Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

RUNNEMEDE BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2021
(Continued)

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 84,287	\$ 8,412,945	\$ 8,497,232
Special Revenue Fund	721,076	1,435,260	2,156,336
Food Service Fund	436,208	10,735	446,943
Total Awards & Financial Assistance	<u>\$ 1,241,571</u>	<u>\$ 9,858,940</u>	<u>\$ 11,100,511</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING

The Runnemede School District had no outstanding loans as of June 30, 2021.

NOTE 6: 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.

NOTE 7: SCHOOLWIDE PROGRAM FUNDS

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

NOTE 8: MAJOR PROGRAMS

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

NOTE 9: ADJUSTMENTS

There was a \$375 adjustment needed on the Schedule of Federal Award (Schedule A) and none on the Schedule of State Financial Assistance.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weakness (es) identified? _____ yes X no
- 2) Significant deficiencies identified? _____ yes X none reported

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

Federal Awards

Internal control over major programs:

- 1) Material weakness (es) identified? _____ yes X no
- 2) Significant deficiencies identified? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a)? _____ yes X no

Identification of major programs:

CFDA Number(s)	<u>FAIN Number(s)</u>	Name of Federal Program or Cluster
10.553, 10.555	211NJ304N1099	Child Nutrition Cluster
84.173, 84.027	H173A200114 H027A200100	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between type A and type B programs (section .518): \$ 750,000

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

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(continued)

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

Finding: **NONE**

Criteria or specific requirement:

Condition:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

FEDERAL AWARDS

Finding: None

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

RUNNEMEDE SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED
COSTS AS PREPARED BY MANAGMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a)(b) and New Jersey OMB's Treasury Circular 15-08.

STATUS OF PRIOR - YEAR FINDINGS **NONE**

Finding:

Condition:

Current Status: