

**SCHOOL DISTRICT OF THE
BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

**BOARD OF EDUCATION
BOROUGH OF TINTON FALLS
STATE OF NEW JERSEY**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021



**PREPARED BY
TINTON FALLS BOARD OF EDUCATION
BUSINESS OFFICE
VINCENT DANIELS
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**

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Not Applicable

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Not Applicable

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Not Applicable

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INTRODUCTORY SECTION

THE TINTON FALLS SCHOOL DISTRICT



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Superintendent of Schools

Kerri Lee Walsifer
Director of Special Services

Vincent Daniels
Business Administrator/Board Secretary

January 20, 2022

Honorable President and
Members of the Board of Education
Citizens of the Borough of Tinton Falls
Tinton Falls Public Schools District
County of Monmouth
Tinton Falls, NJ 07728

Dear Board Members:

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) of the Tinton Falls School District (District) for the fiscal year ended June 30, 2021. This CAFR includes the District's Basic Financial Statement prepared in accordance with generally accepted accounting principles for local governments. The District has adopted this financial reporting model which we believe will provide all users of this document with more useful financial and statistical information. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the Tinton Falls School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs.

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

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School district, 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 the Single Audit Act of 1996, as amended, the U.S. Office of Management and budget circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the State Treasury Circular Letter 04-04 OMB and/or 15-08 OMB< "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

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1. **Reporting Entity and its Services:** The Tinton Falls School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB)39 as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Tinton Falls Board of Education and all its schools (3) constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Kindergarten (full day) through 8, as well as a pre-school integrated/handicapped program. These include regular as well as handicapped students. There are not currently any Charter Schools located in the Borough of Tinton Falls. The District completed the 2020-2021 fiscal year with an enrollment of 1,338 which is 76 (-5.37%) students less than the previous year's ending enrollment. The following details the changes in the student enrollment of the District over the last 15 years.

Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2006-2007	1,602	-0.50%
2007-2008	1,577	-1.56%
2008-2009	1,578	+0.06%
2009-2010	1,632	+3.42%
2010-2011	1,585	-2.88%
2011-2012	1,572	-0.82%
2012-2013	1,565	-0.45%
2013-2014	1,531	-2.17%
2014-2015	1,542	+0.72%
2015-2016	1,524	-1.18%
2016-2017	1,529	+0.33%
2017-2018	1,522	-0.45%
2018-2019	1,422	-6.57%
2019-2020	1,414	-0.56%
2020-2021	1,338	-5.37%

The District does work amicably with the Borough as they do provide several services to the District such as safety resource officer, trash collection, and other various services at minimal/no cost to the District.

2. **Economic Condition and Outlook:** The Tinton Falls area is still experiencing a period of steadiness which is expected to continue. There are a number of housing developments that were approved in Tinton Falls. The district anticipates an increase in enrollment once those homes are built and occupied. Efforts continue to be made by the Board of Education to limit the exposure to the Tinton Falls School District and their taxpayers. During the 17-18 school year a bill was passed providing the option for Earle residents to

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attend Colts Neck schools with a transition occurring over the next 3 years. As of 7/1/21 all Earle students must attend Colts Neck schools. Until the new developments in Tinton Falls are constructed, the enrollment numbers have decreased because of this bill, which has happened over the last several school years as shown above, but ultimately will increase as homes are built and occupied with a recent demographic report showing an increase of about 100 students over the next few years.

The three schools in the district vary in age, with original construction and/or addition dates ranging from 1930 through 2002. The taxpayers approved a \$32 million referendum in 2017 to install/upgrade HVAC systems within all three schools as well as various other renovations including but not limited to – flooring, sitework, casework, lighting and roofing. A majority of this work was completed from 2018 – 2020.

3. Long-term Financial Planning: After completing a \$32 million referendum, the long range facilities plan has been updated to financially outline the next five years by identifying the projects needed to be completed/funded to maintain the many and various upgrades throughout the District. District administrators and the Board are also evaluating the long-term financial impact of state mandated initiatives and the allocation of state aid as reductions have impacted the District and will continue to do so through the year 2025.
4. Major Initiatives: As a result of a comprehensive review of educational curriculum programs, instruction and services within the district, the following initiatives have been reviewed and or expanded:

The 2020-2021 budget supported a comprehensive approach to the district's educational initiatives. It supported the teaching and curriculum process while addressing the physical plant needs of each of our schools. The budget included, but was not limited to the following: raising standards and expanding opportunities, support of all areas of the academic and social and emotional aspects of each child's educational experience, targeted instruction for below grade level readers, enrichment for high ability learners through our Gifted and Talented programs and appropriate challenges for grade level learners.

Maintaining and Improving our School System:

- Our curriculum supports the New Jersey Student Learning Standards for all subjects in grades K-8.
- All students in grade K-1 have access to two to one technology.
- All students in grades 2-8 have access to one-to-one technology.
- The wireless environments in each school and the continued updates of handheld devices continue to provide access to appropriate educational materials in every area of the schools.
- The purchase of classroom technology such as replacement Promethean Boards and Elmo Document Cameras.

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- Continued use of the Professional Learning Communities to enhance staff professional growth.
- Continue communication with stakeholders through email, the district notification system, e-blasts, social media, and newsletters.
- Continued notification through the Genesis Parental Portal to enhance communication regarding academic progress.

Raising Standards and Expanding Opportunities:

- Continued interaction with the District Evaluation Advisory Committee to enhance Teacher Evaluation
 - Professional Development Programs planned by the School Improvement Panels, the DEAC, and student and staff evaluation data.
 - The use of instructional coaches: Literacy Coach and STEM coaches to provide job-embedded professional development, teacher support, and data analysis of student progress.
 - The use of consultants for continued job-embedded professional development.
 - The use of curriculum captains to provide curriculum updates and teacher leadership at a grade/content level.
 - A Multi-Tiered System of Supports (MTSS) to address students in need of support in curricular areas.
 - The use of assessment data as a formative and summative assessment tool. These include benchmark assessments, common assessments, and progress monitoring.
 - Social-emotional needs are addressed through morning meetings, gratitude practices, curriculum enhancements, individual and group counseling.
 - STEAM opportunities through the technology and art classes.
 - Academic support and enrichment through after school tutoring programs and STEAM programs.
 - Enrichment through TEAM (gifted and talented program), In-Class Enrichment (ICE), English Language Arts, and Mathematics in cluster grouping and advanced classes.
 - Acceleration through advanced placement in mathematics.
5. **Internal Accounting Controls:** Management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

6. **Budgetary Controls:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted by the Board of Education for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved by the Board of Education 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 items basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2021.

Beginning with the 2012-2013 budget, the state of New Jersey allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers. The Tinton Falls Township Board of Education elected to eliminate the budget vote at that time. In addition to the 2% limit on tax levy increases, there are restrictions on budget transfers during the year that can be made without NJDOE approval.

7. **Financial Policies:** The intent of the Board of Education is to ensure that the District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for budget preparation and fiscal planning. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

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8. 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 and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.
9. Debt Administration: At June 30, 2021, the District's outstanding debt issues included bonds of \$30,850,000. The district's current bond rating is AA.
10. Other Information: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm Wielkotz & Company, LLC., was selected 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 Single Audit Act Amendments of 1996, as amended and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the general-purpose financial statements and combining the individual fund statement and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Accounting principles generally accepted in the United States require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

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

Respectfully submitted,

Lisa Goldey

Lisa Goldey, Ed.D.
Superintendent of Schools

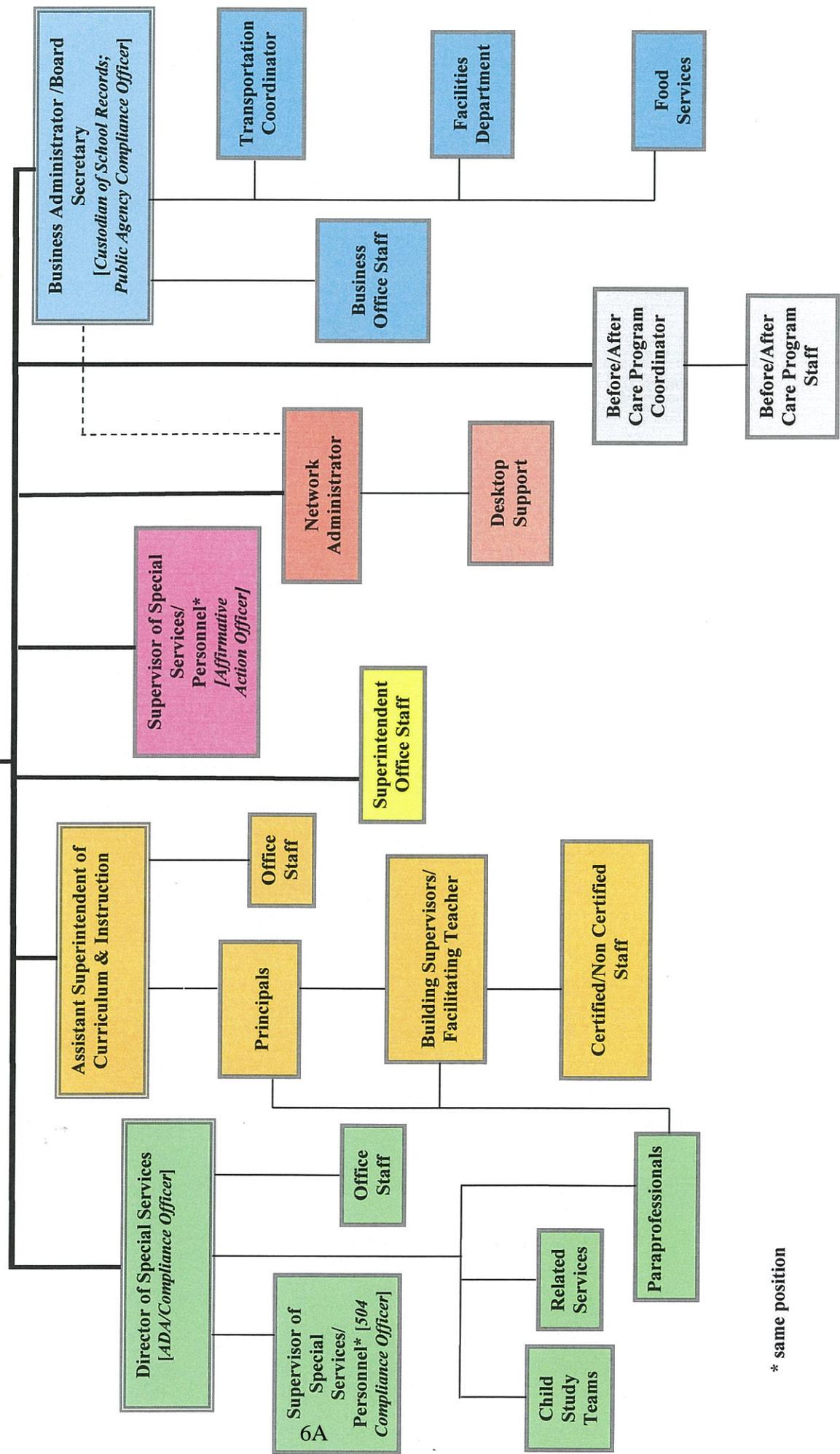
Vincent Daniels

Mr. Vincent J. Daniels
Business Administrator/Board Secretary

**Tinton Falls District
Organization Chart
2018-2019**

Board of Education

Superintendent of Schools



* same position

TINTON FALLS BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

Audit Firm

Wielkocz & Company, LLC
401 Wanaque Avenue
Pompton Lakes, NJ 07442

Attorney

Cleary, Giacobbe, Alfieri, Jacobs, LLC
169 Ramapo Valley Road
Oakland, New Jersey 07436

Official Depository

TD Bank N.A.
New Jersey Cash Management Fund
Bank of America

FINANCIAL SECTION



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

Steven D. Wielkocz, CPA, RMA, PSA
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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of Tinton Falls School District
County of Monmouth, New Jersey
Tinton Falls, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Tinton Falls School District, in the County of Monmouth, 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 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Opinion

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 and each major fund of the Borough of Tinton Falls Board of Education, in the County of Monmouth, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the basic financial statements, in fiscal year 2021, the Board adopted Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. As a result, prior year balances were restated (Note 17) to reflect the implementation of this Statement. 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 and Budgetary Comparison Information and Schedules Related to Accounting and Reporting for Pensions identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers

it to be an essential part of the 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 Borough of Tinton Falls Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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, other supplemental information listed in the table of contents, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, financial schedules and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Honorable President and
Members of the Board of Education
Page 4.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2022 on our consideration of the Borough of Tinton Falls 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 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 Borough of Tinton Falls Board of Education's internal control over financial reporting and compliance.

Paul J. Cuva

Paul J. Cuva, C.P.A.
Licensed Public School Accountant
No. CS00076600

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 20, 2022

**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

The discussion and analysis of the Tinton Falls Board of Education's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by program for the General Fund, Special Revenue Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- In total, net position decreased \$520,162. Net position of governmental activities decreased by \$392,625 and net position of business-type activity decreased by \$127,537.
- General revenues accounted for \$38,868,209 in revenue or 94.7 percent of all governmental revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$2,157,976 or 5.3 percent of total revenues of \$41,026,185.
- The School District had \$41,418,810 in expenses related to governmental activities; only \$2,582,428 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$38,443,757 were not adequate to provide for these programs.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole (district-wide statements), and then proceed to provide an increasingly detailed look at specified financial activities.

District-Wide Financial Statements

The *statement of net position and statement of activities* reports information about the District as a whole and about its activities in a manner that helps answer the question, "Is the District better or worse off as a result of the year's activities?" These statements include all assets and liabilities of the District using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

Both of the district-wide financial statements distinguish functions of the Tinton Falls Board of Education that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

USING THIS ANNUAL REPORT, (continued)

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

- Governmental Activities – All of the school district's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type Activities – These services are provided on a charge for goods and services basis to recover all the expenses of the goods or services provided. The Food Service, Enterprise Fund, Time + program and the Kindergarten Enrichment Program are reported as business activities.

The two statements report the District's net position and changes in them. The change in net position can be utilized by a reader to assist in determining whether the District's financial health is improving or deteriorating. However, the reader should also consider non-financial factors such as property tax base, current New Jersey laws restricting revenue growth, student enrollment growth, facility conditions, required educational programs and other factors in determining the District's overall financial health.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Tinton Falls Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the district's funds can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash.

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

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

USING THIS ANNUAL REPORT, (continued)

The Tinton Falls Board of Education maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the general, special revenue, capital projects and debt service funds, which are considered to be major funds.

The Tinton Falls Board of Education adopts annual appropriated budgets for its governmental funds. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service to demonstrate compliance with their budgets.

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the government-wide statements, therefore the statements will essentially match the business-type activities portion of the government-wide statements. The Tinton Falls Board of Education uses proprietary funds to account for its food service program, Kindergarten Enrichment and the Time + program.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

DISTRICT-WIDE FINANCIAL ANALYSIS

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

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

The School District's net positions were \$28,378,598 at June 30, 2021 and \$28,850,808 at June 30, 2020. Restricted net position is reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2021 compared to 2020 (Table 1) and change in net position (Table 2) of the School District.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Assets						
Current and Other Assets	\$ 24,981,664	\$25,109,035	\$1,481,367	\$1,591,054	\$26,463,031	\$26,700,089
Capital Assets	<u>45,390,819</u>	<u>44,085,716</u>	<u>19,847</u>	<u>6,894</u>	<u>45,410,666</u>	<u>44,092,610</u>
Total Assets	<u>70,372,483</u>	<u>69,194,751</u>	<u>1,501,214</u>	<u>1,597,948</u>	<u>71,873,697</u>	<u>70,792,699</u>
Deferred Outflow of Resources	<u>852,191</u>	<u>957,791</u>	<u>0</u>	<u> </u>	<u>852,191</u>	<u>957,791</u>
Liabilities						
Current Liabilities	5,847,629	2,746,204	89,744	58,941	5,937,373	2,805,145
Noncurrent Liabilities	<u>36,292,959</u>	<u>37,972,742</u>	<u> </u>	<u> </u>	<u>36,292,959</u>	<u>37,972,742</u>
Total Liabilities	<u>42,140,588</u>	<u>40,718,946</u>	<u>89,744</u>	<u>58,941</u>	<u>42,230,332</u>	<u>40,777,887</u>
Deferred Inflow of Resources	<u>2,116,958</u>	<u>2,121,795</u>	<u>0</u>	<u> </u>	<u>2,116,958</u>	<u>2,121,795</u>
Net Position						
Invested in Capital Assets	14,540,819	11,374,363	19,847	6,894	14,560,666	11,381,257
Restricted	18,507,701	22,595,523			18,507,701	22,595,523
Unrestricted	<u>(6,081,392)</u>	<u>(6,658,085)</u>	<u>1,391,623</u>	<u>1,532,113</u>	<u>(4,689,769)</u>	<u>(5,125,972)</u>
Total Net Position	<u>\$26,967,128</u>	<u>\$27,311,801</u>	<u>\$1,411,470</u>	<u>\$1,539,007</u>	<u>\$28,378,598</u>	<u>\$28,850,808</u>

This year, the District was able to report a balance of \$(4,689,769) in its unrestricted net position, which is an increase from the previous years' balance of \$(5,125,972). This increase was largely attributable to the recording of the PERS net pension obligation items as per GASB #68.

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 2 below shows the changes in net position for fiscal year 2021 compared to 2020.

**Table 2
Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Program Revenues:						
Charges for Services and						
Sales			\$81,229	\$429,435	\$81,229	\$429,435
Operating Grants and						
Contributions	\$2,157,976	1,853,222	480,969	140,610	2,638,945	1,993,832
General Revenues:						
Taxes:						
Property taxes	26,367,766	25,693,058			26,367,766	25,693,058
Federal and State Aid						
Not Restricted	12,075,991	9,489,558			12,075,991	9,489,558
Tuition Received	277,832	281,844			277,832	281,844
Miscellaneous Income	<u>146,620</u>	<u>511,560</u>	<u>25</u>	<u> </u>	<u>146,645</u>	<u>511,560</u>
Total Revenues and Transfers	<u>41,026,185</u>	<u>37,829,242</u>	<u>562,223</u>	<u>570,045</u>	<u>41,588,408</u>	<u>38,399,287</u>

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Functions/Program						
Instruction:						
Regular	8,393,971	8,048,625			8,393,971	8,048,625
Special Education	3,967,899	3,486,333			3,967,899	3,486,333
Other Special Instruction	511,933	484,780			511,933	484,780
Other Instruction	110,850	131,411			110,850	131,411
Support Services:						
Tuition	509,319	307,704			509,319	307,704
Student & Instruction						
Related Services	3,701,799	4,026,625			3,701,799	4,026,625
School Administrative						
Services	999,433	976,250			999,433	976,250
General Administrative						
Services	526,693	460,685			526,693	460,685
Central Services and						
Admin.Technology	506,498	469,952			506,498	469,952
Plant Operations and						
Maintenance	2,547,611	2,082,704			2,547,611	2,082,704
Pupil Transportation	2,038,571	1,946,026			2,038,571	1,946,026
Unallocated Benefits	12,047,541	11,206,511			12,047,541	11,206,511
Capital Outlay - Non-						
Depreciable	17,363	17,762			17,363	17,762
Unallocated Depreciation	3,447,089	3,149,867			3,447,089	3,149,867
Interest on Long Term Debt	1,472,105	1,526,828			1,472,105	1,526,828
Capital Lease Non-depreciable	620,135				620,135	
Food Service			500,816	369,353	500,816	369,353
Time+			152,338	191,600	152,338	191,600
Kindergarten Enrichment			36,606	41,643	36,606	41,643
Total Expenses and Transfers	<u>41,418,810</u>	<u>38,322,063</u>	<u>689,760</u>	<u>602,596</u>	<u>42,108,570</u>	<u>38,924,659</u>
Increase or (Decrease) in						
Net Position	<u>(392,625)</u>	<u>(492,821)</u>	<u>(127,537)</u>	<u>(32,551)</u>	<u>(520,162)</u>	<u>(525,372)</u>
Net Position- July 1,	27,311,801	<u>27,804,622</u>	1,539,007	1,571,558	<u>28,850,808</u>	<u>29,376,180</u>
Prior Period Adjustment	<u>47,952</u>				<u>47,592</u>	
Net Position-July 1, (Restated)	<u>27,359,753</u>	<u>27,804,622</u>	<u>1,539,007</u>	<u>1,571,558</u>	<u>28,898,760</u>	<u>29,376,180</u>
Net Position June 30,	<u>\$26,967,128</u>	<u>\$27,311,801</u>	<u>\$1,411,470</u>	<u>\$1,539,007</u>	<u>\$28,378,598</u>	<u>\$28,850,808</u>

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business- Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$42,108,570. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$26,367,766 because some of the cost was paid by those who benefitted from the programs \$81,229 by other governments and organizations who subsidized certain programs with grants and contributions \$14,714,936, tuition income \$277,832 and by miscellaneous sources \$146,645.

Revenues for the District’s business-type activities (food service, time + and kindergarten enrichment programs) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Expenses exceeded revenues by \$127,537..
- ✓ Charges for services provided totaled \$81,229. This represents amounts paid by consumers for charges for services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$480,969.

The following schedules present a summary of governmental fund revenues and expenditures for the fiscal year ended June 30, 2021, and the amount and percentage of increases/(decreases) relative to the prior year.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$26,792,218	70.31%	\$305,756	1.60%
State Sources	10,343,157	27.14%	1,205,112	13.18%
Federal Sources	<u>968,540</u>	<u>2.54%</u>	<u>298,768</u>	<u>44.60%</u>
Total	<u>\$38,103,915</u>	<u>100.00%</u>	<u>\$1,809,636</u>	4.99%

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

The increase in local revenue sources can be attributed to the increase in the local tax levy and miscellaneous revenues. The increase in state revenue is a result of an increase in state aid payments and on behalf state aid to the District.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expense:				
Instruction	\$12,935,090	31.26%	\$831,718	6.87%
Undistributed	20,705,760	50.04%	841,787	4.24%
Capital Outlay	4,805,285	11.61%	(2,741,754)	(36.33)%
Debt Service	<u>2,928,886</u>	<u>7.08%</u>	<u>254,096</u>	<u>9.50%</u>
Total	<u>\$41,375,021</u>	<u>100.00%</u>	<u>(\$814,153)</u>	<u>1.92%</u>

Changes in expenditures were the result of varying factors. Current expense undistributed decreased due to significant decrease in State On-Behalf payment for pension and medical benefits cost increases combined with decreases in operations and maintenance and pupil transportation costs.

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District’s budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund, special revenue fund, and debt service fund.

During the fiscal year ended June 30, 2021, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state’s contribution to the pension fund and medical retirement, is neither a budgeted revenue item nor a budgeted expenditure item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$246,400 for increases in federal, state and local grant revenues.

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS, (continued)

General Fund

The general fund actual revenue was \$33,887,499. That amount is \$5,929,862, above the final amended budget of \$27,957,637. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$5,035,032 for TPAF social security reimbursements and on-behalf pension and medical retirement payments, an excess in other state and federal aids of \$805,960, and a \$88,870 excess in local anticipated revenues.

The actual expenditures of the general fund were \$33,018,952. This is \$824,971 above the final amended budget of \$32,193,981. The variance between the actual expenditures and final budget was due to an unfavorable variance in non-budget on-behalf TPAF social security and pension payments of \$5,035,032, and a favorable variance of \$4,210,061 in unexpended budgeted funds.

The general fund had total revenues of \$33,887,499 and total expenditures of \$33,018,952, and transfer-0-from the capital project fund with an ending fund balance of \$16,609,254.

Special Revenue Fund

The special revenue fund actual revenue was \$1,128,403. That amount is above the original budget estimate of \$866,736. The \$246,400 variance between the original and final budget was due to additional federal and state grant monies awarded to the District after the original budget was approved.

The actual expenditures of the special revenue fund were \$1,132,858, which is above the original budget of \$866,736. The \$266,222 variance between actual expenditures and the original budget was due to additional expenditures related to the additional grants awarded to the District after the original budget was approved and student activity expenditures.

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2021, the School District had \$76,054,002 invested in land, buildings and building improvements, machinery and equipment, and construction in progress. Of this amount, \$30,643,336 in depreciation has been taken over the years. We currently have a net book value of \$45,410,666. Total depreciable additions for the year were \$4,787,522, the majority of which was for various technology and office equipment and building improvements and deductions of \$4,787,522, which was transfers from construction in progress to capital assets being depreciated. Table 3 shows fiscal year 2021 balances compared to 2020. More detailed information on capital assets can be found in Note four to the financial statements.

**Table 3
Capital Assets at June 30,
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$239,620	\$239,620			\$239,620	\$239,620
Buildings and Site Improvements	44,364,452	43,165,182			44,364,452	43,165,182
Furniture, Equipment and Vehicles	786,747	680,914	19,847	6,894	806,594	687,808
						<u>0</u>
	<u>\$45,390,819</u>	<u>\$44,085,716</u>	<u>\$19,847</u>	<u>\$6,894</u>	<u>\$45,410,666</u>	<u>\$44,092,610</u>

Debt Administration

At June 30, 2021, the district had \$36,292,959 of outstanding debt. Of this amount, \$449,156 is for compensated absences; \$529,786 is for various capital leases; \$30,850,000 of serial bonds issued for the financing of various school construction projects; and \$4,464,017 is for the net PERS pension obligation. Additional information on the District’s long term debt can be found in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS

Due to the current state of the economy in New Jersey and across the country, our economic outlook is not as bright as we would hope. This economic reality will have an impact on our ability to advance our program and educational goals. These factors will be considered in preparing the Tinton Falls Board of Education’s budget for the 2021-2022 fiscal year.

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
TINTON FALLS, NJ**

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS, (continued)

The following factors were considered in preparing the 2021-2022 fiscal year budget:

- Estimated student enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated programs
- Requirements for health and safety issues

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Tinton Falls Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Vincent Daniels
School Business Administrator
Tinton Falls School District
658 Tinton Avenue
Tinton Falls, New Jersey 07724

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Tinton Falls School District
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 15,418,685	\$ 1,446,228	\$ 16,864,913
Receivables, net	1,333,397	35,139	1,368,536
Inventory		-	-
Restricted assets:			
Cash and cash equivalents	8,229,582		8,229,582
Capital assets:			
Land	239,620		239,620
Depreciable Capital Assets-(Net)	45,151,199	19,847	45,171,046
Total Assets	70,372,483	1,501,214	71,873,697
Deferred outflows of resources-Related to PERS Pension	852,191		852,191
LIABILITIES			
Accounts payable and accrued liabilities	2,232,858	78,526	2,311,384
Payable to the State Government	37,452		37,452
Deferred revenue	3,577,319	11,218	3,588,537
Noncurrent liabilities:			
Due within one year	1,607,500		1,607,500
Due beyond one year	34,685,459		34,685,459
Total liabilities	42,140,588	89,744	42,230,332
Deferred inflows of resources-Related to PERS Pension	2,116,958		2,116,958
NET POSITION			
Net Invested in capital assets	14,540,819	19,847	14,560,666
Restricted for:			
Debt service			-
Capital projects	9,931,644		9,931,644
Other Purposes	8,576,057		8,576,057
Unrestricted (Deficit)	(6,081,392)	1,391,623	(4,689,769)
Total net position	\$ 26,967,128	\$ 1,411,470	\$ 28,378,598

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

Tinton Falls School District
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:								
Instruction:								
Regular	\$ 8,344,408	\$ 49,563	\$	703,652	\$	(7,690,319)	\$	(7,690,319)
Special education	3,967,899					(3,967,899)		(3,967,899)
Other special instruction	511,933					(511,933)		(511,933)
Other instruction	110,850					(110,850)		(110,850)
Support services:								
Tuition	509,319					(509,319)		(509,319)
Student & instruction related services	3,701,799		15,267	379,110		(3,307,422)		(3,307,422)
General administrative services	526,693					(526,693)		(526,693)
School administrative services	999,433					(999,433)		(999,433)
Central Services and Administrative Technology	506,498	14,323				(506,498)		(506,498)
Plant operations and maintenance	2,533,288					(2,547,611)		(2,547,611)
Pupil transportation	2,038,571			982,013		(1,056,558)		(1,056,558)
Employee Benefits	12,047,541					(12,047,541)		(12,047,541)
Capital outlay Non-depreciable	17,363				77,934	60,571		60,571
Capital Leases Non-depreciable	620,135					(620,135)		(620,135)
Interest on long-term debt	1,472,105					(1,472,105)		(1,472,105)
Unallocated depreciation (Excluding Direct Depreciation)	3,447,089					(3,447,089)		(3,447,089)
Total governmental activities	41,354,924	63,886	15,267	2,064,775	77,934	(39,260,834)	-	(39,260,834)
Business-type activities:								
Food Service	500,816			480,969			1,370	1,370
Time + Program	152,338		21,217				(100,232)	(100,232)
Early Bird Program	36,606		52,106				(28,700)	(28,700)
Total business-type activities	689,760	-	7,906	480,969	-		(127,562)	(127,562)
Total primary government	\$ 42,044,684	\$ 63,886	\$ 96,496	\$ 2,545,744	\$ 77,934	\$ (39,260,834)	\$ (127,562)	\$ (39,388,396)
General revenues:								
Property Taxes Levied for:								
General Purposes						24,184,486		24,184,486
Debt Service						2,183,280		2,183,280
Federal and State aid not restricted						12,075,991		12,075,991
Tuition						277,832		277,832
Miscellaneous Income						146,620	25	146,645
Total general revenues, special items, extraordinary items and transfers						38,868,209	25	38,868,234
Change in Net Position						(392,625)	(127,537)	(520,162)
Net Position—July 1,						27,311,801	1,539,007	28,850,808
Prior Period Adjustment						47,952		47,952
Net Position—July 1,(Restated)						27,359,753	1,539,007	28,898,760
Net Position—June 30,						26,967,128	1,411,470	28,378,598

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

FUND FINANCIAL STATEMENTS

Tinton Falls School District
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 9,865,150	\$ 48,579	\$ 4,149,776	\$ 1,355,180	\$ 15,418,685
Receivables from Other Governments	1,001,378	206,800			1,208,178
Interfund Accounts Receivable		2,524		9,896	12,420
Tuitions Receivable	78,267				78,267
Other Receivables		46,952			46,952
Restricted Cash and Cash Equivalents	8,229,582				8,229,582
Total Assets	<u>\$ 19,174,377</u>	<u>\$ 304,855</u>	<u>\$ 4,149,776</u>	<u>\$ 1,365,076</u>	<u>\$ 24,994,084</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and Accrued Liabilities Payable	722,216	100,612	467,194		1,290,022
Interfund Accounts Payable	2,524		9,896		12,420
Payable to the State Government		37,452			37,452
Payroll Deductions and Withholdings Payable	881				881
Deferred Revenue	2,154,025	123,294		1,300,000	3,577,319
Total Liabilities	<u>2,879,646</u>	<u>261,358</u>	<u>477,090</u>	<u>1,300,000</u>	<u>4,918,094</u>
Fund Balances:					
Restricted for:					
Excess Surplus -- current year	2,731,188				2,731,188
Excess Surplus - prior year -designated for subsequent year's expenditures	2,906,623				2,906,623
Emergency Reserve	250,000				250,000
Maintenance Reserve	1,454,266				1,454,266
Impact Aid	266,358				266,358
Capital Reserve	6,258,958		3,672,686		9,931,644
Student Activities		43,497			43,497
Assigned to:					
Other purposes	924,125				924,125
Debt Service				65,076	65,076
Designated by the BOE for subsequent year's expenditures					
Capital Projects					
Unassigned:					
General Fund	1,503,213				1,503,213
Total Fund Balances	<u>16,294,731</u>	<u>43,497</u>	<u>3,672,686</u>	<u>65,076</u>	<u>20,075,990</u>
Total Liabilities and Fund Balances	<u>\$ 19,174,377</u>	<u>\$ 304,855</u>	<u>\$ 4,149,776</u>	<u>\$ 1,365,076</u>	

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 \$75,999,911 and the accumulated depreciation is \$30,609,092.	45,390,819
Deferred outflow of resources related to PERS pension liability	852,191
Interest on Long-term debt accrued	(636,506)
Deferred inflow of resources related to PERS pension liability	(2,116,958)
Accounts payable for PERS payment subsequent to the measurement date.	(305,449)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 5)	(36,292,959)
Net position of governmental activities	<u>\$ 26,967,128</u>

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

Tinton Falls School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$ 24,184,486	\$	\$	\$ 2,183,280	\$ 26,367,766
Tuition	277,832				277,832
Miscellaneous	101,038	30,374	9,896	5,312	146,620
Total - Local Sources	<u>24,563,356</u>	<u>30,374</u>	<u>9,896</u>	<u>2,188,592</u>	<u>26,792,218</u>
State Sources	9,246,608	223,142	77,934	795,473	10,343,157
Federal Sources	93,653	874,887			968,540
Total Revenues	<u>33,903,617</u>	<u>1,128,403</u>	<u>87,830</u>	<u>2,984,065</u>	<u>38,103,915</u>
EXPENDITURES					
Current:					
Regular Instruction	7,640,756	703,652			8,344,408
Special Education Instruction	3,967,899				3,967,899
Other Special Instruction	511,933				511,933
Other Instruction	110,850				110,850
Support Services and Undistributed Costs:					
Tuition	509,319				509,319
Student & Instruction Related Services	3,272,593	429,206			3,701,799
General Administrative Services	526,693				526,693
School Administrative Services	999,433				999,433
Central Services and Administrative Technology	506,498				506,498
Plant Operations and Maintenance	2,533,288				2,533,288
Pupil Transportation	2,038,571				2,038,571
Employee Benefits	9,890,159				9,890,159
Debt Service:					
Principal				1,490,000	1,490,000
Interest and Other Charges				1,438,886	1,438,886
Capital Outlay	510,960		4,294,325		4,805,285
Transfer to Charter Schools	-	-			-
Total Expenditures	<u>33,018,952</u>	<u>1,132,858</u>	<u>4,294,325</u>	<u>2,928,886</u>	<u>41,375,021</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>884,665</u>	<u>(4,455)</u>	<u>(4,206,495)</u>	<u>55,179</u>	<u>(3,271,106)</u>
OTHER FINANCING SOURCES (USES)					
Assets Acquired Under Capital Leases-Equipment (non-budgeted)	(620,135)		-		(620,135)
Capital Leases (non-budgeted)	620,135				620,135
Transfers out	-		(9,896)	9,896	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(9,896)</u>	<u>9,896</u>	<u>-</u>
Net Change in Fund Balances	<u>884,665</u>	<u>(4,455)</u>	<u>(4,216,391)</u>	<u>65,075</u>	<u>(3,271,106)</u>
Fund Balance—July 1	15,410,066	-	7,889,077	1	23,299,144
Prior Period Adjustment		47,952			47,952
Fund Balance, Restated	<u>15,410,066</u>	<u>47,952</u>	<u>7,889,077</u>	<u>1</u>	<u>23,347,096</u>
Fund Balance—June 30	<u>\$ 16,294,731</u>	<u>\$ 43,497</u>	<u>\$ 3,672,686</u>	<u>\$ 65,076</u>	<u>\$ 20,075,990</u>

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

Tinton Falls School District
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)	\$	(3,271,106)
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		(3,510,975)
Depreciable Capital outlays		4,787,522
Gain on Disposal of Capital Assets		28,556
Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		
In the current year, these amounts consist of:		
Principal Payments on Bonds		4,318,000
Principal Payments on Capital Leases		128,702
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
Bond Proceeds		(2,495,000)
Capital Leases		(620,135)
District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
District Pension Contributions	299,460	
Less: Pension Expense	<u>(61,626)</u>	
Decrease in Pension Expense		237,834
Per GASB No. 68 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements		
Increase in On-behalf State Aid TPAF Pension		1,242,705
Increase in On-behalf TPAF Pension Expense		(1,242,705)
Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements		
Increase in On-behalf State Aid TPAF Medical		2,922,270
Increase in On-behalf TPAF Medical Expense		(2,922,270)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
(Increase)/Decrease in compensated absences payable		(29,242)
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due.		
The change in accrued interest is an addition in the reconciliation.		
Accrued interest - current year		(636,506)
Accrued interest - prior year		669,725
Change in net assets of governmental activities	\$	<u><u>(392,625)</u></u>

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

**Combining Statement of Net Position
Enterprise Funds
June 30, 2021**

	<u>Food Service Program</u>	<u>Time + Program</u>	<u>Early Birds Program</u>	<u>Kindergarten Enrichment Program</u>	<u>Totals</u>
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 162,041	\$ 696,091	\$ -	\$ 588,096	\$ 1,446,228
Accounts Receivable:					
State	3,714				3,714
Federal	31,425				31,425
Total Current Assets	<u>197,180</u>	<u>696,091</u>	<u>-</u>	<u>588,096</u>	<u>1,481,367</u>
Equipment	54,091				54,091
Less Accumulated Depreciation	(34,244)				(34,244)
Total Capital Assets (Net of Accumulated Depreciation)	<u>19,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,847</u>
Total Assets	<u>\$ 217,027</u>	<u>\$ 696,091</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,501,214</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	70,265	8,261			78,526
Deferred Revenue	11,218				11,218
Total Current Liabilities	<u>81,483</u>	<u>8,261</u>	<u>-</u>	<u>-</u>	<u>89,744</u>
Noncurrent Liabilities:					
Compensated Absences					-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Invested in Capital Assets Net of Related Debt	19,847				19,847
Unrestricted	115,697	687,830	-	588,096	1,391,623
Total Net Position	<u>\$ 135,544</u>	<u>\$ 687,830</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,411,470</u>
	-	-	-	-	

Tinton Falls School District
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
For the Year Ended June 30, 2021

	<u>Food Service Program</u>	<u>Time + Program</u>	<u>Early Birds Program</u>	<u>Kindergarten Enrichment Program</u>	<u>Totals</u>
Operating Revenues:					
Charges for Services:					
Daily Sales - Non-Reimbursable Programs	\$ 18,695	\$	\$	\$	\$ 18,695
Miscellaneous	2,522	52,106	7,906		62,534
Total Operating Revenues	<u>21,217</u>	<u>52,106</u>	<u>7,906</u>	<u>-</u>	<u>81,229</u>
Operating Expenses:					
Cost of Food - Reimbursable	216,698				216,698
Cost of Food - Non-Reimbursable					-
Cost of Sales - Other					-
Labor	222,365	94,712	13,681		330,758
Supplies and Materials	17,207	3,775			20,982
Employee Benefits		6,942	1,113		8,055
Miscellaneous Expense	41,225	46,909	21,812		109,946
Depreciation	3,321				3,321
Total Operating Expenses	<u>500,816</u>	<u>152,338</u>	<u>36,606</u>	<u>-</u>	<u>689,760</u>
Operating Income (Loss)	(479,599)	(100,232)	(28,700)	-	(608,531)
Non-operating Revenues (Expenses):					
State Sources:					
State School Lunch Program	16,461				16,461
Federal Sources:					
National School Lunch Program	325,043				325,043
National School Breakfast Program	99,654				99,654
Seamless Summer Option	9,900				9,900
Food Distribution Program	29,911				29,911
Interest and Investment Revenue	25				25
Total Non-operating Revenues (Expenses)	<u>480,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,994</u>
Income (Loss) Before Contributions & Transfers	1,395	(100,232)	(28,700)	-	(127,537)
Transfers In (Out)		(28,700)	28,700		-
Change in Net Position	1,395	(128,932)	-	-	(127,537)
Total Net Position - Beginning	<u>134,149</u>	<u>816,762</u>	<u>-</u>	<u>588,096</u>	<u>1,539,007</u>
Total Net Position—Ending	<u>\$ 135,544</u>	<u>\$ 687,830</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,411,470</u>

Tinton Falls School District
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2021

	<u>Food Service Program</u>	<u>Time + Program</u>	<u>Early Birds Program</u>	<u>Kindergarten Enrichment Program</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 17,475	\$ 52,106	\$ 7,906	\$ -	\$ 77,487
Payments to employees	(222,365)	(101,654)	(14,794)	-	(338,813)
Payments to vendors	(218,332)	(72,936)	(21,812)	-	(313,080)
Other Operating receipts	4,000	-	-	-	4,000
Other Operating payments	-	(28,700)	28,700	-	-
Net Cash Provided by (Used for) Operating Activities	<u>(419,222)</u>	<u>(151,184)</u>	<u>-</u>	<u>-</u>	<u>(570,406)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
State Sources	13,977	-	-	-	13,977
Federal Sources	437,184	-	-	-	437,184
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>451,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>451,161</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of Capital Assets	(16,275)	-	-	-	(16,275)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(16,275)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,275)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	25	-	-	-	25
Net Cash Provided by (Used for) Investing Activities	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25</u>
Net Increase (Decrease) in Cash and Cash Equivalents	15,689	(151,184)	-	-	(135,495)
Balances—Beginning of Year	146,352	847,275	-	588,096	1,581,723
Balances—End of Year	<u>\$ 162,041</u>	<u>\$ 696,091</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,446,228</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	(479,599)	(100,232)	(28,700)	-	(608,531)
Adjustments to reconcile operating income (loss) to net cash provided by (Used for) operating activities:					
Depreciation	3,321	-	-	-	3,321
Transfers	-	(28,700)	28,700	-	-
(Increase) Decrease in Accounts Receivable	4,000	-	-	-	4,000
Increase (Decrease) in Deferred Revenue	(3,743)	-	-	-	(3,743)
(Increase) Decrease in Inventory	-	-	-	-	-
Increase (Decrease) in Accounts Payable	56,799	(22,252)	-	-	34,547
Increase (decrease) in other current liabilities	-	-	-	-	-
Total Adjustments	<u>60,377</u>	<u>(50,952)</u>	<u>28,700</u>	<u>-</u>	<u>38,125</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (419,222)</u>	<u>\$ (151,184)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (570,406)</u>

NOTES TO THE FINANCIAL STATEMENTS

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

A. Description of the School District and Reporting Entity:

The Board of Education of the Borough of Tinton Falls ("Board") School District (the "District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Tinton Falls School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-8. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Tinton Falls School District, this includes general operations, enterprise funds and fiduciary funds of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has not component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. Basis of Presentation:

The Board'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 Financial Statements:

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or function and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues, including all taxes, are presented as general revenues of the Board, 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 Board.

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. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. Basis of Presentation: (continued)

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

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

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or 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 sale of bonds, lease purchases and other revenues.

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

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. Basis of Presentation: (continued)

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

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

The Board's Enterprise Funds are comprised of the Food Service Fund, the Kindergarten Enrichment Program and the Time Plus Program.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

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

Agency Funds - Agency funds are used to account for the assets that the Board 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.

C. Measurement Focus:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

C. Measurement Focus: (continued)

Fund Financial Statements

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

Like the 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 total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting:

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

D. Basis of Accounting: (continued)

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

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 year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of 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 the governmental funds.

E. Budgets/Budgetary Control:

Annual appropriated budgets are adopted in the spring of the preceding year for the general, special revenue funds and debt service funds. The budgets are submitted to the county superintendents office for approval. 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:23-2(G)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. During 2020/2021, the Board did not increase the original budget.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

E. Budgets/Budgetary Control: (continued)

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

F. Encumbrances:

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

Open encumbrances in the special revenue fund, for which the Board 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.

G. Cash, Cash Equivalents and Investments:

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

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

G. Cash, Cash Equivalents and Investments: (continued)

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

Additionally, the Board has adopted a cash management plan that 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.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

H. Tuition Revenues/Receivable:

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

I. Inventories:

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used. As of June 30, 2021, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food and Supplies	<u>\$-0-</u>
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**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

J. Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables:

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

L. Capital Assets:

General capital assets are those assets not specifically related to activities reported in the enterprise fund. 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 enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 2021 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board currently maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value fo the asset or materially extend an asset’s life are not capitalized.

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. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

M. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as accumulated vacation and sick leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Board 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 Board and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

N. Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Deferred revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

O. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities and long-term obligations are reported in the District-wide 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 judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

P. Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

P. Accounting and Financial Reporting for Pensions: (continued)

existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date—an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

P. Accounting and Financial Reporting for Pensions: (continued)

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

R. Fund Balances:

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

R. Fund Balances: (continued)

- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

S. Net Position:

Net position represent 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 balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

T. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

U. Extraordinary and Special Items:

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

V. 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 reported separately in the Statement of Activities. 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 as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

W. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures.

Estimates are used to determine depreciation expense, among other accounts. Actual results may differ from those estimates.

X. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Y. New Accounting Standards:

During fiscal year 2021, the District adopted the following GASB Statement:

GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus on the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify component units and postemployment benefit arrangements that are fiduciary activities.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Y. New Accounting Standards: (continued)

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

GASB Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction*. The objectives of this Statement is to (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. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for reporting periods beginning after December 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Y. New Accounting Standards: (continued)

GASB Statement No. 92, Omnibus. This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions. This Statement is effective for reporting periods beginning after December 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 93, Replacement of Interbank Offering Rates. The objective of this Statement is to address certain issues with Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, Statement No. 87, *Leases*, as amended and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for fiscal years beginning after June 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

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). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

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 fiscal years beginning after June 15, 2022.

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 in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (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

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Y. New Accounting Standards: (continued)

(other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; 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) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS:

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2021, \$-0- of the District's bank balance of \$26,594,920 was exposed to custodial credit risk.

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS: (continued)

As of June 30, 2021, the Board had no outstanding investments.

Investment Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

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

As of June 30, 2021, the District had \$1,376,656 on deposit with the New Jersey Cash Management Fund.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 3. RECEIVABLES:

Receivables at June 30, 2021, consisted of accounts receivable and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
State Aid	\$945,802	\$3,714	\$949,516
Federal Aid	262,376	31,425	293,801
Tuition	78,267		78,267
Interfunds	12,420		
Other	<u>46,952</u>		<u>46,952</u>
Gross receivables	1,345,817	35,139	1,368,536
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$1,345,817</u>	<u>\$35,139</u>	<u>\$1,368,536</u>

NOTE 4. CAPITAL ASSETS:

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

	Balance 6/30/20	Additions	Deductions	Balance 6/30/21
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$239,620	\$	\$	\$239,620
Construction in Progress	<u>0</u>	<u>4,787,522</u>	<u>4,787,522</u>	<u>0</u>
Total Capital Assets, Not Being Depreciated	<u>239,620</u>	<u>4,787,522</u>	<u>4,787,522</u>	<u>239,620</u>
Capital Assets Being Depreciated				
Sites and Improvements	2,130,461	274,343		2,404,804
Buildings and Improvements	66,799,397	4,294,324		71,093,721
Furniture, Equipment and Vehicles	<u>2,645,830</u>	<u>218,855</u>	<u>602,919</u>	<u>2,261,766</u>
Total Capital Assets, Being Depreciated	<u>71,575,688</u>	<u>4,787,522</u>	<u>602,919</u>	<u>75,760,291</u>
Less Accumulated Depreciation:				
Sites and Improvements	(1,804,634)	(30,842)		(1,835,476)
Buildings and Improvements	(23,960,042)	(3,338,555)		(27,298,597)
Furniture, Equipment and Vehicles	<u>(1,964,916)</u>	<u>(141,578)</u>	<u>(631,475)</u>	<u>(1,475,019)</u>
Total Accumulated Depreciation	<u>(27,729,592)</u>	<u>(3,510,975)</u>	<u>(631,475)</u>	<u>(30,609,092)</u>
Total Capital Assets, Being Depreciated, Net	<u>43,846,096</u>	<u>1,276,547</u>	<u>(28,556)</u>	<u>45,151,199</u>
Governmental Activities Capital Assets, Net	<u>\$44,085,716</u>	<u>\$6,064,069</u>	<u>\$4,758,966</u>	<u>\$45,390,819</u>

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 4. CAPITAL ASSETS: (continued)

	Balance <u>6/30/20</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>6/30/21</u>
Business-Type Activity				
Machinery and Equipment	\$37,816	\$16,275	\$ _____	\$54,091
Totals	<u>37,816</u>	<u>16,275</u>	<u>_____</u>	<u>54,091</u>
Less Accumulated Depreciation				
Machinery and Equipment	(30,922)	(3,322)	_____	(34,244)
Total Accumulated Depreciation	<u>(30,922)</u>	<u>(3,322)</u>	<u>_____</u>	<u>(34,244)</u>
Business-Type Activity Capital Assets, Net	<u>\$6,894</u>	<u>\$12,953</u>	<u>\$ _____</u>	<u>\$19,847</u>

Depreciation expense was charged to the functions as follows:

Instruction - Regular	\$49,563
Plant Operations and Maintenance	14,323
Unallocated Depreciation	<u>3,447,089</u>
Total Depreciation Expense	<u>\$3,510,975</u>

NOTE 5. LONG-TERM DEBT OBLIGATIONS:

For the fiscal year ended June 30, 2021 the following liabilities are reported in the general long-term debt account group:

	Balance <u>June 30, 2020</u>	<u>Issued</u>	<u>Retired</u>	Balance <u>June 30, 2021</u>	Amounts Due Within <u>One Year</u>
Compensated absences payable	\$419,914	\$29,242	\$ _____	\$449,156	\$ _____
Bonds payable	32,673,000	2,495,000	4,318,000	30,850,000	1,475,000
Capital leases payable	38,353	620,135	128,702	529,786	132,500
Net (PERS) pension obligation	<u>4,841,475</u>	<u>_____</u>	<u>377,458</u>	<u>4,464,017</u>	<u>_____</u>
	<u>\$37,972,742</u>	<u>\$3,144,377</u>	<u>\$4,824,160</u>	<u>\$36,292,959</u>	<u>\$1,607,500</u>

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 5. LONG-TERM DEBT OBLIGATIONS: (continued)

A. Bonds Payable:

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

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

Principal and interest due on serial bonds outstanding is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$1,475,000	\$1,403,162	\$2,878,162
2023	1,290,000	1,334,275	2,624,275
2024	1,355,000	1,270,550	2,625,550
2025	1,420,000	1,203,675	2,623,675
2026	1,495,000	1,133,400	2,628,400
2027-2031	8,630,000	4,484,675	13,114,675
2032-2036	9,215,000	2,351,800	11,566,800
2037-2039	<u>5,970,000</u>	<u>368,150</u>	<u>6,338,150</u>
Total	<u>\$30,850,000</u>	<u>\$13,549,687</u>	<u>\$44,399,687</u>

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 5. LONG-TERM DEBT OBLIGATIONS: (continued)

Advanced Refunding of Debt

On February 18, 2021 the District issued \$2,495,000 in School District Refunding Bonds having an interest rate of 4.00%. These Bonds were issued in order to refund certain principal maturities of school district bonds. The total bond principal defeased was \$2,828,000. The net proceeds of \$2,887,482 were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the refunding met the requirements of an in-substance debt defeasance and the refunded bond liability has been removed from the governmental activities column of the statement of net position.

Governmental Pooled Revenue Bonds, Series 2018B

On July 24, 2018, the District issued \$29,085,000 principal amount of bonds through the Monmouth County Improvement Authority's Governmental pooled loan program. These bonds have interest rates ranging from 4.00% to 5.00% and mature in annual installments beginning on July 15, 2020. These bonds were issued to undertake renovations, alterations and improvements at Mahala F. Atchison School, Swimming River School and Tinton Falls Middle School.

B. Capital Leases Payable:

The District is leasing copying machines and computer equipment under capital leases. All capital leases are for terms of three to five years. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2021.

<u>Year</u>	
2022	\$141,161
2023	140,161
2024	140,161
2025	90,600
2026	46,856

C. Bonds Authorized but not Issued

As of June 30, 2021, the District had \$-0- of bonds authorized but not issued.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS:

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: <http://www.state.nj.us/treasury/pensions/financial-reports.shtm>.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the 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.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are 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.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

The following represents the membership tiers for TPAF:

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

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

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Benefits Provided

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

The following represents the membership tiers for PERS:

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

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

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

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contributions Requirements Fund Based Statements

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year		
<u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/21	\$299,460	\$27,648
6/30/20	261,361	27,860
6/30/19	261,816	25,505

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year	Pension	Post-Retirement	NCGI	Long-Term
<u>Ending</u>	<u>Contributions</u>	<u>Medical</u>	<u>Premium</u>	<u>Disability</u>
		<u>Contributions</u>		<u>Insurance</u>
6/30/21	\$3,106,559	\$992,070	\$59,106	\$2,362
6/30/20	2,361,371	891,727	42,325	2,488
6/30/19	2,057,363	952,751	43,066	2,624

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$874,935 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. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2021, the District had a liability of \$4,464,017 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2020, the District's proportion was .0273742054 percent, which was an increase of .0004792954 percent from its proportion measured as of June 30, 2019.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

For the year ended June 30, 2021, the District recognized pension expense of \$61,626. At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$144,818	\$1,869,126
Difference in actual and expected experience	81,282	15,787
Net difference between projected and actual earnings on pension plan investments	152,584	
Changes in proportion and differences between District contributions and proportionate share of contributions	168,058	232,045
District contributions subsequent to the measurement date	<u>305,449</u>	<u> </u>
Total	<u>\$852,191</u>	<u>\$2,116,958</u>

The \$305,449 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$(560,153)
2022	(510,689)
2023	(291,846)
2024	(118,017)
2025	(25,525)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2020 and June 30, 2019 are as follows:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Collective deferred outflows of resources	\$2,347,583,337	\$3,149,522,616
Collective deferred inflows of resources	7,849,949,467	7,645,087,574
Collective net pension liability	16,435,616,426	18,018,482,972
District's Proportion	.0273742054%	.026869491%

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% (based on years of service)
Thereafter	3.00-7.00% (based on years of service)
Investment Rate of Return	7.00 Percent

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

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

Mortality Rates

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 based on Scale MP-2020.

Long-Term Rate of Return

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

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

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

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 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>1%</u> Decrease	At Current Discount Rate	<u>1%</u> Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
District's proportionate share of the pension liability	\$5,663,641	\$4,464,017	\$3,510,991

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS).

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

Teachers Pensions and Annuity Fund (TPAF)

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.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2021 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>70,892,056</u>
	<u>\$70,892,056</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2020. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2020, the proportion of the TPAF net pension liability associated with the District was .1076588480%.

For the year ended June 30, 2021, the District recognized on-behalf pension expense and revenue of \$4,408,370 for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.45% (based on years of service)
Thereafter	2.75%-5.65% (based on years of service)
Investment Rate of Return	7.00%

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (continued)

Mortality Rates

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

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

Long-Term Expected Rate of Return

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

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

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. PENSION PLANS: (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 made based on the contribution rate in the most recent fiscal year. The State contributed 78% of the actuary determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

NOTE 7. POST-RETIREMENT BENEFITS:

General Information about the OPEB Plan

Plan Description and Benefits Provided

The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. In Fiscal Year 2020, the State paid PRM benefits for 143,053 State and local retirees.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 7. POST-RETIREMENT BENEFITS: (continued)

The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2020, the State contributed \$1.578 billion to pay for “pay-as-you-go” PRM benefit costs incurred by covered retirees. The State’s “pay-as-you-go” contributions have decreased from Fiscal Year 2019 amounts. Reductions are attributable to various cost savings initiatives implemented by the State, including new medicare advantage contracts. The Fiscal Year 2021 Appropriations Act includes \$1.775 billion as the State's contribution to fund “pay-as-you-go” PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2020 total State OPEB liability to provide these benefits is \$65.5 billion, a decrease of \$10.5 billion or 13.8 percent from the \$76.0 billion liability recorded in Fiscal Year 2019.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

Total OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level for the State Health Benefit Local Education Retired Employee's Plan and is not specific to the board of education/board of trustees, and could be found at <https://www.state.nj.us/treasury/pensions/GASB-notices-OPEB.SHTML>.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2021 was as follows:

OPEB Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>72,869,941</u>
	<u>\$ 72,869,941</u>

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 7. POST-RETIREMENT BENEFITS: (continued)

Actual Assumptions and Other Imputes

The total OPEB liability in the June 30, 2020 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%	
	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:		
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years
Thereafter	1.55 - 4.45% based on service years	3.00 - 7.00% based on service 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.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 7. POST-RETIREMENT BENEFITS: (continued)

(a) *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 rate 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 eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

(b) *Discount Rate*

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

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

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

For the year ended June 30, 2021, the board of education/board of trustees recognized on-behalf OPEB expense of \$3,914,340 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Borough of Tinton Falls School District proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. DEFERRED COMPENSATION:

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

Equitable	State of New Jersey Tax Shelter Annuity
Valic	MetLife
Lincoln Investments	

NOTE 9. RISK MANAGEMENT:

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

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

Workers' Compensation Insurance - The District is currently a member of the New Jersey School Boards Association Insurance Group (the "Group"). The Group provides the District with Workers' Compensation. The Group is a risk-sharing public entity risk pool that is both an insured and self administered group of school boards established for the purpose of providing low-cost insurance coverage for their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group are elected.

As a member of the Group, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Group were to be exhausted, members would become responsible for their respective shares of the Group's liabilities.

The Group can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 10. CAPITAL RESERVE ACCOUNT:

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

Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). 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.

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	\$5,768,637
Deposits:	
Transfer by Board Resolution, June 14, 2021	500,000
Interest earned on capital reserve funds	8,083
Withdrawals	<u>(17,762)</u>
Ending Balance, June 30, 2021	<u>\$6,258,958</u>

NOTE 11. EMERGENCY RESERVE ACCOUNT:

The emergency reserve is used to accumulate funds in accordance with *N.J.S.A. 18A:7F-41c(1)* to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require the approval of the commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

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

Beginning balance, July 1, 2020	\$250,000
Ending Balance, June 30, 2021	\$250,000

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 12. MAINTENANCE RESERVE ACCOUNT:

A maintenance reserve account was established by the Board of Education by inclusion of \$66,599 in the 2002-2003 budget. The account is maintained in the general fund. The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCRA (N.J.A.A. 18A:7G-9). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund.

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	\$1,496,245
Increased by:	
Interest on Investments	2,321
Transfer by Board Resolution, June 14, 2021	155,700
Decreased by:	
Withdrawals	<u>(200,000)</u>
Ending Balance, June 30, 2021	<u>\$1,454,266</u>

NOTE 13. FEDERAL IMPACT AID RESERVE:

As permitted by P.L. 2015, c. 46 which amended N.J.S.A. 18A:7F-41 a federal impact reserve account was established by the Tinton Falls School District by transfer of \$53,233 on June 13, 2016, by board resolution for the amount of federal impact aid funds received during the current fiscal year for use as capital outlay expenditures or for transfer to capital projects fund in subsequent fiscal years. The federal impact aid – capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2020	<u>\$266,358</u>
Ending Balance, June 30, 2021	<u>\$266,358</u>

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 14. FUND BALANCE APPROPRIATED:

General Fund [Exhibit B-1] - Of the \$16,294,731 General Fund fund balance at June 30, 2021, \$924,125 is reserved for encumbrances; \$5,637,811 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 \$2,906,623 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2022); \$6,258,958 has been reserved in the Capital Reserve Account; \$1,454,266 has been reserved in the maintenance reserve account; \$250,000 has been reserved in the Emergency Reserve Account; \$-0- has been appropriated and included as anticipated revenue for the year ending June 30, 2022; \$266,358 has been reserved for Impact Aid; and \$1,503,213 is unreserved and undesignated.

Debt Service Fund - Of the \$65,076 Debt Service Fund fund balance at June 30, 2021, \$-0- has been appropriated and included as anticipated revenue for the year ending June 30, 2022 and \$1 is restricted for debt service.

NOTE 15. CALCULATION OF EXCESS SURPLUS:

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance— Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund 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 \$5,637,811. Of this amount, \$2,731,188 is the result of current year’s operations.

NOTE 16. INTERFUND RECEIVABLES AND PAYABLES:

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

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Debt Service	Capital Projects Fund	\$9,896
Special Revenue Fund	General Fund	2,524

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**Borough of Tinton Falls School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 17. RESTATEMENT

Net position for June 30, 2020 was restated to reflect the reclassification of the Unemployment Trust Fund net position from the Fiduciary Fund to the General Fund and reclassification of the Student Activity Fund to the Special Revenue Fund as per Governmental Accounting Standards Board ("GASB") number 84. This resulted in restatement of net position and/or fund balance as of June 30, 2020 as follows:

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Net Position/Fund Balance at June 30, 2020	\$27,311,801	\$ -0-	\$ -0-
Prior Period Adjustment for Implementation of GASB #84	<u>47,952</u>	<u> </u>	<u>47,952</u>
Net Position/Fund Balance at June 30, 2020 - Restated	<u>\$27,359,753</u>	<u>\$0</u>	<u>\$47,952</u>

NOTE 18. CONTINGENT LIABILITIES:

The Board and the Board’s attorney advises us that there are no pending or threatened litigation, unasserted claims or assessments.

NOTE 19. OTHER MATTERS

On March 9, 2020, Governor Phil Murphy signed Executive Order No. 103 that declared a State of Emergency and Public Health Emergency across all 21 counties in New Jersey in response to address the novel coronavirus (COVID-19) outbreak. The Board has identified several risks as a result of this pandemic, including a possible delay in collection of District taxes and cash flow shortages as the result of these delayed collections. During the year, the District has received grants from the federal government for increase expenditures related to the COVID-19 pandemic. The Board will continue to monitor the situation closely.

NOTE 20. SUBSEQUENT EVENTS:

The District has evaluated subsequent events through January 21,2022, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 24,184,486	\$	\$ 24,184,486	\$ 24,184,486	\$
Tuition	50,000		50,000	277,832	227,832
Miscellaneous	240,000		240,000	101,038	(138,962)
Total - Local Sources	24,474,486		24,474,486	24,563,356	88,870
State Sources:					
Categorical Transportation Aid	982,013		982,013	982,013	
Categorical Special Education Aid	986,472		986,472	986,472	
Categorical Security Aid	196,966		196,966	196,966	
Adjustment Aid	1,018,534		1,018,534	1,018,534	
Extraordinary Aid	275,000		275,000	951,136	676,136
Other State Aid-Non Public Transportation	-		-	22,243	22,243
Other State Aid-Homeless Tuition Reimbursement	-		-	38,094	38,094
On-behalf/TPAF NCGI Premium (non-budgeted)	-		-	59,106	59,106
On-behalf/TPAF Post-Retirement Medical (non-budgeted)	-		-	992,070	992,070
On-behalf/Long-Term Disability Insurance	-		-	2,362	2,362
On-behalf/TPAF Premium	-		-	3,106,559	3,106,559
TPAF Social Security (Reimbursed - Non-Budgeted)	-		-	874,935	874,935
Total - State Sources	3,458,985		3,458,985	9,230,490	5,771,505
Federal sources:					
FEMA				55,576	55,576
Medical Assistance Program (SEMI)	24,166		24,166	38,077	13,911
Total - Federal Sources	24,166		24,166	93,653	69,487
TOTAL REVENUES	\$ 27,957,637	\$	\$ 27,957,637	\$ 33,887,499	\$ 5,929,862

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of Teachers	527,956	284,200	812,156	779,076	33,080
Grades 1-5 - Salaries of Teachers	3,825,184	(284,200)	3,540,984	3,421,190	119,794
Grades 6-8 - Salaries of Teachers	2,640,076	(46,950)	2,593,126	2,541,285	51,841
Regular Programs - Home Instruction:					
Salaries of Teachers	22,000		22,000	1,742	22,000
Purchased Professional-Educational Services	5,000	1,842	6,842		5,100
Other Purchased Services (400-500 series)	500		500		500
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	300	(300)		8,429	2,706
Purchased Technical Services	11,600	(465)	11,135	295,506	12,578
Other Purchased Services	268,784	39,300	308,084	583,561	26,060
General Supplies	477,449	132,172	609,621	1,047	431
Textbooks	1,508	(30)	1,478	8,920	1,277
Other Objects	5,855	4,342	10,197		
TOTAL REGULAR PROGRAMS - INSTRUCTION	7,786,212	129,911	7,916,123	7,640,756	275,367
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	64,948	34,884	99,832	99,470	362
Other Salaries for Instruction	50,000	(15,884)	34,116	4,945	29,171
General Supplies	800		800	200	600
Total Learning and/or Language Disabilities	115,748	19,000	134,748	104,615	30,133
Behavioral Disabilities:					
Salaries of Teachers	220,934	(8,600)	212,334	160,984	51,350
Other Salaries for Instruction	190,500	(45,000)	145,500	35,312	110,188
General Supplies	6,000	320	6,320	2,746	3,574
Total Behavioral Disabilities	417,434	(53,280)	364,154	199,042	165,112

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of Teachers	443,236	(21,890)	421,346	349,627	71,719
Other Salaries for Instruction	680,500	(132,010)	548,490	548,480	10
General Supplies	9,862	(1,352)	8,510	2,752	5,758
Total Multiple Disabilities	1,133,598	(155,252)	978,346	900,859	77,487
Resource Room/Resource Center:					
Salaries of Teachers	1,965,342	2,900	1,968,242	1,925,223	43,019
Other Salaries for Instruction	82,500		82,500	39,474	43,026
General Supplies	19,625	904	20,529	18,718	1,811
Total Resource Room/Resource Center	2,067,467	3,804	2,071,271	1,983,415	87,856
Autism:					
Salaries of Teachers	91,713		91,713	74,004	17,709
Other Salaries for Instruction	131,000		131,000	66,990	64,010
General Supplies	3,500	(1,200)	2,300	633	1,667
Total Autism	226,213	(1,200)	225,013	141,627	83,386

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
SPECIAL EDUCATION - INSTRUCTION (Continued)					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	124,296	123,100	247,396	247,391	5
Other Salaries for Instruction	65,500	158,750	224,250	224,221	29
General Supplies	2,300	1,412	3,712	2,170	1,542
Total Preschool Disabilities - Part-Time	192,096	283,262	475,358	473,782	1,576
Preschool Disabilities - Full-Time:					
Salaries of Teachers	186,836	(123,000)	63,836	54,208	9,628
Other Salaries for Instruction	361,500	(238,000)	123,500	102,125	21,375
General Supplies					
Total Preschool Disabilities - Full-Time	548,336	(361,000)	187,336	156,333	31,003
Special Education - Home Instruction					
Salaries of Teachers	40,000		40,000	3,532	36,468
Purchased Professional-Educational Services	3,700	8,452	12,152	4,694	7,458
Other Purchased Services (400-500) Series					
Total Home Instruction	43,700	8,452	52,152	8,226	43,926
TOTAL SPECIAL EDUCATION - INSTRUCTION	4,744,592	(256,214)	4,488,378	3,967,899	520,479
Basic Skills/Remedial - Instruction					
Salaries of Teachers	445,836		445,836	439,202	6,634
General Supplies	9,050	(5,320)	3,730	3,408	322
Total Basic Skills/Remedial - Instruction	454,886	(5,320)	449,566	442,610	6,956
Bilingual Education - Instruction					
Salaries of Teachers	82,038		82,038	67,913	14,125
General Supplies	1,540	(114)	1,426	1,410	16
Total Bilingual Education - Instruction	83,578	(114)	83,464	69,323	14,141
School-Sponsored Cocurricular Activities - Instruction					
Salaries	82,200		82,200	60,212	21,988
Supplies and Materials	7,375	(375)	7,000	3,209	3,791
Other Objects		5,344	5,344	5,304	40
Total School-Sponsored Cocurricular Activities - Instruction	89,575	4,969	94,544	68,725	25,819
School-Sponsored Athletics - Instruction					
Salaries	47,500		47,500	38,258	9,242
Purchased Services (300-500 series)	13,015		13,015	2,186	10,829
Supplies and Materials	10,035	(6,379)	3,656	1,681	1,975
Total School-Sponsored Athletics - Instruction	70,550	(6,379)	64,171	42,125	22,046
TOTAL INSTRUCTION	13,229,393	(133,147)	13,096,246	12,231,438	864,808

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
Undistributed Expenditures - Instruction:					
Tuition to State- Regular	16,000	18,399	34,399	5,391	29,008
Tuition to Other LEAs Within the State-Special	92,265	51,346	143,611	139,055	4,556
Tuition to Private Schools for the Handicapped - Within State	549,179	4,171	553,350	364,873	188,477
Total Undistributed Expenditures - Instruction:	657,444	73,916	731,360	509,319	222,041
Undist. Expend. - Health Services					
Salaries	282,175	(3,500)	278,675	278,669	6
Purchased Professional and Technical Services	407,410	87,000	494,410	69,541	424,869
Other Purchased Services (400-500 series)	25,000	4,225	29,225	11,525	17,700
Supplies and Materials	8,548	9,690	18,238	16,671	1,567
Total Undistributed Expenditures - Health Services	723,133	97,415	820,548	376,406	444,142
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries	403,032	2,500	405,532	378,544	26,988
Purchased Professional - Educational Services	138,000	22,172	160,172	110,368	49,804
Supplies and Materials	6,880	288	7,168	3,947	3,221
Other Objects					
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	547,912	24,960	572,872	492,859	80,013
Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.					
Salaries	250,000	260,000	510,000	472,412	37,588
Purchased Professional - Educational Services	6,000	(2,000)	4,000	3,440	560
Supplies and Materials	250		250	35	215
Total Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.	256,250	258,000	514,250	475,887	38,363
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	237,624	(16,000)	221,624	203,062	18,562
Salaries of Secretarial and Clerical Assistants					
Purchased Professional - Educational Services	4,950	(1,850)	3,100	450	2,650
Other Purchased Services (400-500 series)	500		500		500
Supplies and Materials	3,120	550	3,670	3,184	486
Total Undist. Expend. - Guidance	246,194	(17,300)	228,894	206,696	22,198
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	636,609	(220)	636,389	597,723	38,666
Other Salaries	40,000	15,420	55,420	55,372	48
Purchased Professional - Educational Services	103,600	67,051	170,651	130,046	40,605
Other Purchased Services (400-500 series)	16,300	2,532	18,832	15,016	3,816
Supplies and Materials	12,900	4,542	17,442	12,498	4,944
Other Objects	2,500		2,500	2,500	
Total Undist. Expend. - Child Study Team	811,909	89,325	901,234	813,155	88,079

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
Undist. Expend. - Improvement of Instructional Services					
Salaries of Supervisor of Instruction	245,847		245,847	245,847	
Salaries of Secretarial and Clerical Assistants	52,208		52,208	52,208	
Other Salaries	190,715	9,490	200,205	199,744	461
Salaries of Facilitators, Math and Literacy Coaches	85,338	18,500	103,838	103,632	206
Other Purch Services (400-500)	13,000	12,465	25,465	25,465	
Supplies and Materials	3,550	(2,200)	1,350	1,131	219
Other Objects	775		775	140	635
Total Undist. Expend. - Improvement of Inst. Services	591,433	38,255	629,688	628,167	1,521
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	170,323		170,323	167,238	3,085
Purchased Professional and Technical Services	5,300		5,300	4,526	774
Other Purchased Services (400-500 series)	800		800	800	
Supplies and Materials	7,900		7,900	5,208	2,692
Total Undist. Expend. - Educational Media Serv./Sch. Library	184,323		184,323	176,972	7,351
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Other Professional Staff	81,125	(1,875)	79,250	79,221	29
Other Salaries	15,000		15,000	1,774	13,226
Purchased Professional - Educational Services	22,810	(650)	22,160	12,227	9,933
Other Purchased Services (400-500 series)	17,150	(10,115)	7,035	3,780	3,255
Other Objects	6,835	(300)	6,535	5,449	1,086
Total Undist. Expend. - Instructional Staff Training Serv.	142,920	(12,940)	129,980	102,451	27,529

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	224,975		224,975	224,975	
Legal Services	50,000	24,113	74,113	70,280	3,833
Audit Fees	35,000	2,235	37,235	25,379	11,856
Architectural/Engineering Services	10,000	4,500	14,500	11,275	3,225
Other Purchased Professional Services	16,000	861	16,861	4,635	12,226
Purchased Technical Services	25,000	13,950	38,950	37,596	1,354
Communications/Telephone	86,000	1,322	87,322	44,354	42,968
BOE Other Purchased Services	7,000	187	7,187		7,187
Miscellaneous Purchased Services (400-500) [Other than 530 & 585]	81,990	7,670	89,660	58,632	31,028
General Supplies	10,000	500	10,500	10,480	20
BOE Training/Meeting Supplies	1,000	(300)	700	82	618
Judgments Against the School District	30,000	15,000	45,000	15,610	29,390
Miscellaneous Expenditures	13,500	168	13,668	11,797	1,871
BOE Membership Dues\Fees	15,000		15,000	11,598	3,402
Total Undist. Expend. - Supp. Serv. - General Administration	605,465	70,206	675,671	526,693	148,978
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	401,493	8,500	409,993	401,225	8,768
Salaries of Other Professional Staff	194,047		194,047	192,053	1,994
Salaries of Secretarial and Clerical Assistants	404,632	(8,500)	396,132	380,597	15,535
Other Salaries	9,500		9,500		9,500
Purchased Professional and Technical Services	3,200	(1,406)	1,794	540	1,254
Other Purchased Services (400-500 series)	4,475	(1,896)	2,579	1,520	1,059
Supplies and Materials	13,040	2,303	15,343	15,190	153
Other Objects	8,478	1,093	9,571	8,308	1,263
Total Undist. Expend. - Support Serv. - School Administration	1,038,865	94	1,038,959	999,433	39,526
Undistributed Expenditures Central Services					
Salaries	350,178	(2,500)	347,678	346,569	1,109
Purchased Technical Service	29,500	(4,220)	25,280	18,871	6,409
Misc. Purchased Serv. (400-500) O/T 594	3,250	371	3,621	3,228	393
Supplies and Materials	6,000	6,683	12,683	9,761	2,922
Miscellaneous Expenditures	5,300	645	5,945	5,945	
Total Undistributed Expenditures Central Services	394,228	979	395,207	384,374	10,833

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
Undistributed Expenditures Admin Info Tech					
Salaries	94,000	3,008	97,008	97,008	
Purchased Technical Services	27,000		27,000	25,116	1,884
Total Undistributed Expenditures Admin Info Tech	121,000	3,008	124,008	122,124	1,884
Undist. Expend. - Required Maint. for School Facilities					
Salaries	668,000	14,631	682,631	633,664	48,967
Cleaning, Repair and Maintenance Services	170,000	2,144	172,144	75,197	96,947
General Supplies	838,000	16,775	854,775	708,861	145,914
Total Undist. Expend. - Required Maint. for School Facilities					
Undist. Expend. - Custodial Services					
Salaries	10,000		10,000	8,979	1,021
Salaries of Non-Instructional Aides	70,000		70,000	46,013	23,987
Purchased Professional and Technical Services	12,500		12,500	1,880	10,620
Cleaning, Repair and Maintenance Services	1,021,000	12,221	1,033,221	1,013,985	19,236
Other Purchased Property Services	53,000	7,546	60,546	41,489	19,057
Insurance	84,000		84,000	66,461	17,539
General Supplies	26,000	(2,595)	23,405	20,278	3,127
Energy (Natural Gas)	192,000	58,991	250,991	203,246	47,745
Energy (Electricity)	360,000	82,767	442,767	208,356	234,411
Other Objects	1,000	1,000	2,000	1,910	90
Total Undist. Expend. - Custodial Services	1,829,500	159,930	1,989,430	1,612,597	376,833
Undist. Expend. - Care & Upkeep of Grounds					
Purchased Professional and Technical Services	174,000	1,824	175,824	173,923	1,901
Cleaning, Repair and Maintenance Services	9,000	9,631	18,631	17,223	1,408
General Supplies	10,000	1,900	11,900	11,824	76
Total Undist. Expend. - Care & Upkeep of Grounds	193,000	13,355	206,355	202,970	3,385
Undist. Expend. - Security					
Salaries	1,500		1,500		1,500
Purchased Professional and Technical Services	20,000	92	20,092	8,339	11,753
Repair and Maintenance	5,000		5,000		5,000
General Supplies	10,000		10,000	521	9,479
Total Undist. Expend. - Security	36,500	92	36,592	8,860	27,732
Total Undist. Expend-Oper & Maint of Plant Services	2,897,000	190,152	3,087,152	2,533,288	553,864

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget Actual	Variance Final to Actual
Undist. Expend. - Student Transportation Services					
Contracted Services (Between Home & School)-Vendors	1,109,000	535,672	1,644,672	986,477	658,195
Contract Services (Other than Between Home & School)-Vendors	72,000	(4,877)	67,123	1,875	65,248
Contracted Services (Between Home & School)-Joint Agreements	217,500	55,780	273,280	221,029	52,251
Contracted Services (Special Ed. Students)-Vendors	805,000	160,123	965,123	646,690	318,433
Contracted Services (Special Ed. Students)-ESCs & CTAs	385,000	(171,117)	213,883	178,586	35,297
Misc. Purchased Services-Transportation	8,000		8,000	3,914	4,086
Transportation Supplies	4,000		4,000		4,000
Total Undist. Expend. - Student Transportation Services	2,600,500	575,581	3,176,081	2,038,571	1,137,510
UNALLOCATED BENEFITS					
Social Security Contributions	330,000		330,000	280,237	49,763
Other Retirement Contributions-PERS	355,000		355,000	339,192	15,808
Unemployment Compensation	75,000	14,073	89,073	55,623	33,450
Workmen's Compensation	150,000		150,000	121,236	28,764
Health Benefits	4,740,029	(483,713)	4,256,316	3,948,276	308,040
Tuition Reimbursement	105,000	(9,806)	95,194	54,181	41,013
Other Employee Benefits	77,423	250	77,673	56,382	21,291
TOTAL UNALLOCATED BENEFITS	5,832,452	(479,196)	5,353,256	4,855,127	498,129
ON-BEHALF CONTRIBUTIONS					
On-behalf TPAF NCGI Premium (non-budgeted)				59,106	(59,106)
On-behalf TPAF Post-Retirement Medical (non-budgeted)				992,070	(992,070)
On-behalf Long-Term Disability Insurance				2,362	(2,362)
On-behalf TPAF Premium				3,106,559	(3,106,559)
Reimbursed TPAF Social Security Contributions (non-budgeted)				874,935	(874,935)
TOTAL ON-BEHALF CONTRIBUTIONS				5,035,032	(5,035,032)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	5,832,452	(479,196)	5,353,256	9,890,159	(4,536,903)
TOTAL UNDISTRIBUTED EXPENDITURES	17,651,028	912,455	18,563,483	20,276,554	(1,713,071)
TOTAL GENERAL CURRENT EXPENSE	30,880,421	779,308	31,659,729	32,507,992	(848,263)

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
CAPITAL OUTLAY					
Equipment:					
Undist. Expend.-Kindergarten		38,400	38,400	37,518	882
Undist. Expend.-Grades 1-5		77,623	77,623	77,252	371
Undist. Expend.-Grades 6-8	13,000	(51)	12,949	9,266	3,683
Undist. Expend.-Admin Info Tech.		18,435	18,435	18,435	
Undist. Expend.-Required Maintenance for Schools		41,501	41,501	41,120	381
Undist. Expend.-Care and Upkeep of Grounds		35,264	35,264	35,264	
Undist. Expend.-Security		211,172	224,172	218,855	5,317
Total Equipment	13,000	211,172	224,172	218,855	5,317
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	30,000	5,000	35,000	32,913	2,087
Other Purchased Professional and Technical Services		(5,000)	245,000	241,430	3,570
Construction Services	250,000		17,762	17,762	
Assessment for Debt Service SDA Funding	17,762		297,762	292,105	5,657
Total Facilities Acquisition and Construction Services	297,762		297,762	292,105	5,657
TOTAL CAPITAL OUTLAY	310,762	211,172	521,934	510,960	10,974
Transfer of Funds to Charter Schools	12,318		12,318		12,318
TOTAL EXPENDITURES	31,203,501	990,480	32,193,981	33,018,952	(824,971)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,245,864)	(990,480)	(4,236,344)	868,547	5,104,891

Tinton Falls School District
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2021

	Original Budget	Transfers/ Adjustments	Final Budget	Budget 20-21 Actual	Variance Final to Actual
Other Financing Sources/(Uses):					
Operating Transfer In (Out):				(620,135)	(620,135)
Assets Acquired Under Capital Leases-Equipment (non-budgeted)				620,135	620,135
Capital Leases (non-budgeted)					
Total Other Financing Sources/(Uses):					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(3,245,864)	(990,480)	(4,236,344)	868,547	5,104,891
Fund Balance, July 1				15,740,707	15,740,707
Fund Balance, June 30	<u>\$ (3,245,864)</u>	<u>\$ (990,480)</u>	<u>\$ (4,236,344)</u>	<u>\$ 16,609,254</u>	<u>\$ 20,845,598</u>
Reconciliation:					
Adjustment for prior years encumbrances		(990,480)	(990,480)	(990,480)	508,083
Transfer to Capital Reserve				508,083	158,020
Transfer to Maintenance Reserve				158,020	(17,762)
Withdrawal from Capital Reserve Principal	(17,762)		(17,762)	(17,762)	(200,000)
Withdrawal from Maintenance Reserve Principal	(200,000)		(200,000)	(200,000)	1,410,686
Budgeted Fund Balances	<u>(3,028,102)</u>		<u>(3,028,102)</u>	<u>1,410,686</u>	<u>4,438,788</u>
Total	<u>\$ (3,245,864)</u>	<u>\$ (990,480)</u>	<u>\$ (4,236,344)</u>	<u>\$ 868,547</u>	<u>\$ 5,104,891</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				6,258,958	
Maintenance Reserve				1,454,266	
Emergency Reserve				250,000	
Impact Aid				266,358	
Excess Surplus - Designated for Subsequent Year's Expenditures				2,906,623	
Excess Surplus - Current Year				2,731,188	
Assigned Fund Balance:					
Year-End Encumbrances				924,125	
Unassigned Fund Balance				<u>1,817,736</u>	
Total				<u>16,609,254</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payment not recognized on GAAP basis					(314,523)
Fund Balance per Governmental Funds (GAAP)					<u>\$ 16,294,731</u>

Tinton Falls School District
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Year Ended June 30, 2021

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	80,000 \$	(64,893) \$	15,107 \$	30,374 \$	15,267
State Sources	216,163	6,979	223,142	223,142	
Federal Sources	570,573	304,314	874,887	874,887	
Total Revenues	866,736	246,400	1,113,136	1,128,403	15,267
EXPENDITURES:					
Instruction:					
Salaries of Teachers	97,500	(10,169)	87,331	87,331	
Purchased Professional - Educational Services					
Purchased Professional and Technical Services	201,413	(103,036)	98,377	98,377	
Other Purchased Services (400-500 series)	350,000	(13,347)	336,653	336,653	
General Supplies	55,290	107,543	162,833	162,833	
Textbooks	14,750	3,708	18,458	18,458	
Other Objects	40,000	(40,000)			
Total Instruction	758,953	(55,301)	703,652	703,652	
Support Services:					
Salaries					
Personal Services - Employee Benefits		34,932	34,932	34,932	
Purchased Professional & Technical Services		267,948	267,948	267,948	
Supplies & Materials	107,783	(1,179)	106,604	106,604	
Other Objects					
Student Activities				19,722	(19,722)
Total Support Services	107,783	301,701	409,484	429,206	(19,722)
Facilities Acquisition and Const. Serv.:					
Instructional Equipment					
Total Facilities Acquisition and Const. Serv.					
Total Expenditures	866,736	246,400	1,113,136	1,132,858	(19,722)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)				(4,455)	(4,455)
Fund Balance, July 1,				47,952	
Prior Period Adjustment					
Fund Balance, July 1 (Restated)				47,952	
Fund Balance, June 30					\$ 43,497

**Tinton Falls School District
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information
For the 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]&[C-2]	\$	33,887,499	\$	1,128,403
Difference - budget to GAAP:					
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.					
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.			330,641		
State aid payment recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).			(314,523)		
Transfers from other funds are presented as inflows of budgetary resources but are not revenues for financial reporting purposes. Net transfers (inflows) to general fund					
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$	<u>33,903,617</u>	\$	<u>1,128,403</u>
Uses/outflows of resources					
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]		33,018,952		1,132,858
Differences - budget to GAAP					
The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis. <i>[Not applicable in this example]</i>					
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.					
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]	\$	<u>33,018,952</u>	\$	<u>1,132,858</u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

Tinton Falls School District
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - PERS
Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015
Districts proportion of the net pension liability (asset)	0.2737420540%	0.02686894900%	0.0263217100%	0.0278985200%	0.0289584800%	0.0291305962%	0.0289024950%
District's proportionate share of the net pension liability (asset)	\$ 4,464,017	\$ 4,841,475	\$ 5,182,614	\$ 6,494,330	\$ 8,576,671	\$ 6,539,235	\$ 5,411,338
District's covered payroll - PERS	1,758,511	1,817,277	1,883,160	1,894,697	1,841,746	1,944,818	1,982,147
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	253.85%	266.41%	275.21%	342.76%	465.68%	336.24%	273.00%
Plan fiduciary net position as a percentage of the total pension liability	58.32%	56.27%	53.60%	48.10%	59.86%	47.93%	52.08%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Tinton Falls School District
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
*Last 10 Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 299,460	\$ 261,361	\$ 261,816	\$ 258,450	\$ 257,263	\$ 250,445	\$ 238,268
Contributions in relation to the contractually required contribution	-299,460	-261,361	-261,816	-258,450	-257,263	-250,445	-238,268
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
District's covered payroll - PERS	1,758,511	1,817,277	1,883,160	1,894,897	1,841,746	1,944,818	1,982,147
Contributions as a percentage of covered payroll	17.03%	14.38%	13.90%	13.64%	13.97%	12.88%	12.02%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Tinton Falls School District
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - TPAF
Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015
Districts proportion of the net pension liability (asset)	0.1076588448%	0.1046068169%	0.0967777920%	0.0989457150%	0.0101404953%	0.1071318514%	0.1084254465%
District's proportionate share of the net pension liability (asset)	\$ 70,892,056	\$ 64,198,191	\$ 61,567,952	\$ 66,712,769	\$ 79,771,592	\$ 67,711,905	\$ 57,949,872
District's covered payroll - TPAF	11,993,506	12,030,303	11,397,975	11,286,911	10,713,027	9,781,169	9,802,382
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	591.09%	533.64%	540.17%	591.06%	744.62%	692.27%	591.18%
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%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Tinton Falls School District
Note to Required Schedules of Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2021

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.50%) to the current measurement date (2.21%), resulting in a change in the discount rate from 6.28% to 7.0%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.50%) to the current measurement date (2.21%), resulting in a change in the discount rate from 5.60% to 5.40%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

TINTON FALLS SCHOOL DISTRICT
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
Last 10 Fiscal Years*

	2018	2019	2020	2021
Total OPEB Liability				
Service Costs	\$ 2,423,476	\$ 2,008,820	\$ 1,726,803	\$ 1,965,630
Interest on Total OPEB Liability	1,751,089	2,032,129	1,861,442	1,567,441
Changes in Assumptions	(7,214,929)	(5,394,992)	647,518	13,310,834
Differences Between Expected and Actual Experience		(5,775,219)	(6,527,119)	13,828,012
Gross Benefit Payments	(1,282,164.00)	(1,257,114.00)	(1,333,116.00)	(1,268,606.00)
Contribution from the Member	47,212	43,448	39,517	38,451
Net Changes in total Share of OPEB Liability	(4,275,316)	(8,342,928)	(3,584,955)	29,441,762
Total OPEB Liability - Beginning	59,631,378	55,356,062	47,013,134	43,428,179
Total OPEB Liability - Ending	<u>\$ 55,356,062</u>	<u>\$ 47,013,134</u>	<u>\$ 43,428,179</u>	<u>\$ 72,869,941</u>
District's Proportionate Share of OPEB Liability	0	0	0	0
State's Proportionate Share of OPEB Liability	55,356,062	47,013,134	43,428,179	72,869,941
Total OPEB Liability - Ending	<u>\$ 55,356,062</u>	<u>\$ 47,013,134</u>	<u>\$ 43,428,179</u>	<u>\$ 72,869,941</u>
District's Covered Employee Payroll	<u>\$ 13,181,608</u>	<u>\$ 13,281,135</u>	<u>\$ 13,847,580</u>	<u>\$ 13,752,017</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

TINTON FALLS SCHOOL DISTRICT
Notes to Required Schedules of Supplementary Information OPEB Liability
For the fiscal year ended June 30, 2021

Change in benefit terms	None
Change in assumptions	Assumptions used in calculating the OPEB liability are presented in Note 7.

Supplementary Schedules

SPECIAL REVENUE FUND

Tinton Falls School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2021

	Total Brought Forward (Ex. E-1a)	Title I, Part A	Title II, Part A	Non-Public Coronavirus Aid Relief	CRRSA	CARES GRANT	Title IV	Totals 2021
REVENUES								
Local Sources	\$ 30,374	\$	\$	\$	\$	\$	\$	\$ 30,374
State Sources	223,142	122,263	26,419	13,239	66,326	101,914	8,342	223,142
Federal Sources	536,384							874,887
Total Revenues	789,900	122,263	26,419	13,239	66,326	101,914	8,342	1,128,403
EXPENDITURES:								
Instruction:								
Salaries of Teachers	98,377	87,331						87,331
Purchased Professional and Technical Services	336,653							98,377
Other Purchased Services (400-500 series)	26,187			13,239	66,326	54,392	2,689	336,653
General Supplies	18,458							162,833
Textbooks								18,458
Other Objects								
Total Instruction	479,675	87,331		13,239	66,326	54,392	2,689	703,652
Support Services:								
Salaries								
Personal Services - Employee Benefits	188,651	34,932	26,419			47,225	5,653	34,932
Purchased Professional & Technical Services	106,307					297		267,948
Supplies & Materials								106,604
Other Objects								
Student Activities	19,722							19,722
Total Support Services	314,680	34,932	26,419			47,522	5,653	429,206
Facilities Acquisition and Const. Serv.:								
Instructional Equipment								
Total Facilities Acquisition and Const. Serv.								
Total Expenditures	794,355	122,263	26,419	13,239	66,326	101,914	8,342	1,132,858
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(4,455)							(4,455)
Fund Balance, July 1	-							-
Prior Period Adjustment	47,952							47,952
Fund Balance, July 1 (Restated)	47,952							47,952
Fund Balance, June 30	43,497							43,497

Tinton Falls School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2021

	Total Brought Forward (Ex. E-1b)	IDEA Part B, Basic	IDEA Preschool	Non-Public ESL	Non-Public Comp. Ed.	Non-Public Security	Total Carried Forward
REVENUES							
Local Sources	\$ 30,374	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,374
State Sources	92,798	-	-	1,829	22,208	106,307	223,142
Federal Sources	-	524,626	11,758	-	-	-	536,384
Total Revenues	123,172	524,626	11,758	1,829	22,208	106,307	789,900
EXPENDITURES:							
Instruction:							
Salaries of Teachers	74,340	-	-	1,829	22,208	-	98,377
Purchased Professional and Technical Services	-	336,653	-	-	-	-	336,653
Other Purchased Services (400-500 series)	15,107	9,122	1,958	-	-	-	26,187
General Supplies	18,458	-	-	-	-	-	18,458
Textbooks	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-
Total Instruction	107,905	345,775	1,958	1,829	22,208	-	479,675
Support services:							
Salaries	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-
Purchased Professional & Technical Services	-	178,851	9,800	-	-	106,307	188,651
Supplies & Materials	-	-	-	-	-	-	106,307
Other Objects	19,722	-	-	-	-	-	19,722
Student Activities	-	-	-	-	-	-	-
Total Support Services	19,722	178,851	9,800	-	-	106,307	314,680
Facilities Acquisition and Const. Serv.:							
Instructional Equipment	-	-	-	-	-	-	-
Total Facilities Acquisition and Const. Serv.	-	-	-	-	-	-	-
Total Expenditures	127,627	524,626	11,758	1,829	22,208	106,307	794,355
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(4,455)	-	-	-	-	-	(4,455)
Fund Balance, July 1	-	-	-	-	-	-	-
Prior Period Adjustment	47,952	-	-	-	-	-	47,952
Fund Balance, July 1 (Restated)	47,952	-	-	-	-	-	47,952
Fund Balance, June 30	\$ 43,497	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,497

Tinton Falls School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2021

	Ch. 193 - Handicapped Services							
	Nonpublic Textbook Aid	Nonpublic Nursing Aid	Nonpublic Annual Exam & Classification	Nonpublic Corrective Speech	Nonpublic Supplemental Instruction	Student Activity Fund	Local Sources	Total Carried Forward
REVENUES								
Local Sources	\$ 18,458	\$ 5,293	\$ 28,189	\$ 16,734	\$ 24,124	\$ 15,267	\$ 15,107	\$ 30,374
State Sources								92,798
Federal Sources								-
Total Revenues	18,458	5,293	28,189	16,734	24,124	15,267	15,107	123,172
EXPENDITURES:								
Instruction:								
Salaries of Teachers								-
Purchased Professional and Technical Services		5,293	28,189	16,734	24,124			74,340
Other Purchased Services (400-500 series)								-
General Supplies							15,107	15,107
Textbooks	18,458							18,458
Other Objects								-
Total Instruction	18,458	5,293	28,189	16,734	24,124	-	15,107	107,905
Support Services:								
Salaries								-
Personal Services - Employee Benefits								-
Purchased Professional & Technical Services								-
Supplies & Materials								-
Other Objects								-
Student Activities						19,722		19,722
Total Support Services	-	-	-	-	-	19,722	-	19,722
Facilities Acquisition and Const. Serv.:								
Instructional Equipment								-
Total Facilities Acquisition and Const. Serv.	-	-	-	-	-	-	-	-
Total Expenditures	18,458	5,293	28,189	16,734	24,124	19,722	15,107	127,627
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	(4,455)	-	(4,455)
Fund Balance, July 1								-
Prior Period Adjustment						47,952		47,952
Fund Balance, July 1 (Restated)						47,952		47,952
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,497	\$ -	\$ 43,497

CAPITAL PROJECTS FUND

**Tinton Falls School District
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

Interest on Investments	\$	9,896
Total revenues		9,896

Expenditures and Other Financing

Uses

Purchased professional and technical services		232,908
Construction Services		4,030,766
Other Purchased Services		30,651
Total expenditures		4,294,325

Excess (deficiency) of revenues over (under) expenditures (4,284,429)

Transfers to other funds (9,896)

Fund balance - beginning 7,967,011

Fund balance - ending \$ 3,672,686

Recapitulation:

Unrestricted Fund Balance 3,672,686

Reconciliation to Governmental Funds Statements (GAAP):

SDA Grant Receivable not Recognized on GAAP Basis _____

Fund Balance per Governmental Funds (GAAP) \$ 3,672,686

**Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Improvements to Mahala F. Atchison Elementary School
For the Year Ended June 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 1,076,468	\$	\$ 1,076,468	\$ 1,076,468
Bond proceeds and transfers	1,627,000		1,627,000	1,627,000
Transfer from capital reserve	778,862		778,862	778,862
Total revenues	3,482,330	-	3,482,330	3,482,330
Expenditures and Other Financing Uses				
Purchased professional and technical services	151,408		151,408	151,408
Construction Services	2,533,650		2,533,650	2,533,650
Total expenditures	2,685,058	-	2,685,058	2,685,058
Excess (deficiency) of revenues over (under) expenditures	\$ 797,272	\$ -	\$ 797,272	\$ 797,272

Additional project information:

Project Number	5185-030-10-1001
Grant Date	9/2/2010
Bond Authorization Date	2/1/2011
Bonds Authorized	\$1,627,635
Bonds Issued	\$1,627,000
Original Authorized Cost	\$4,008,000
Revised Authorized Cost	\$4,009,062
Percentage Increase over Original Authorized Cost	0.03%
Percentage completion	77.11%
Original target completion date	N/A
Revised target completion date	6/30/2013

Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Improvements to Swimming River Elementary School
For the Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 899,972	\$	\$ 899,972	\$ 899,972
Bond proceeds and transfers	1,336,480		1,336,480	1,336,480
Transfer from capital reserve	789,325		789,325	789,325
Total revenues	<u>3,025,777</u>	<u>-</u>	<u>3,025,777</u>	<u>3,025,777</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	139,027		139,027	139,027
Construction Services	2,703,619		2,703,619	2,703,619
Total expenditures	<u>2,842,646</u>	<u>-</u>	<u>2,842,646</u>	<u>2,842,646</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 183,131</u>	<u>\$ -</u>	<u>\$ 183,131</u>	<u>\$ 183,131</u>
Additional project information:				
Project Number	5185-050-10-1002			
Grant Date	9/2/2010			
Bond Authorization Date	2/1/2011			
Bonds Authorized	\$1,336,780			
Bonds Issued	\$1,336,480			
Original Authorized Cost	\$3,516,800			
Revised Authorized Cost	\$3,532,525			
Percentage Increase over Original				
Authorized Cost	0.45%			
Percentage completion	93.95%			
Original target completion date	N/A			
Revised target completion date	6/30/2013			

**Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Improvements to Swimming River Elementary School
For the Year Ended June 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 61,885	\$	\$ 61,885	\$ 61,885
Bond proceeds and transfers	541,320		541,320	541,320
Total revenues	<u>603,205</u>	<u>-</u>	<u>603,205</u>	<u>603,205</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	50,654		50,654	50,654
Construction Services	501,178		501,178	501,178
Total expenditures	<u>551,832</u>	<u>-</u>	<u>551,832</u>	<u>551,832</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 51,373</u>	<u>\$ -</u>	<u>\$ 51,373</u>	<u>\$ 51,373</u>

Additional project information:

Project Number	5185-050-10-1005
Grant Date	9/2/2010
Bond Authorization Date	2/1/2011
Bonds Authorized	\$541,320
Bonds Issued	\$541,320
Original Authorized Cost	\$902,200
Revised Authorized Cost	\$902,200
Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	91.48%
Original target completion date	N/A
Revised target completion date	6/30/2013

Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Improvements to Tinton Falls Middle School
For the Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 607,446	\$	\$ 607,446	\$ 607,446
Bond proceeds and transfers	1,061,200		1,061,200	1,061,200
Transfer from capital reserve	68,854		68,854	68,854
Total revenues	<u>1,737,500</u>	<u>-</u>	<u>1,737,500</u>	<u>1,737,500</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	72,518		72,518	72,518
Construction Services	1,358,477		1,358,477	1,358,477
Total expenditures	<u>1,430,995</u>	<u>-</u>	<u>1,430,995</u>	<u>1,430,995</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 306,505</u>	<u>\$ -</u>	<u>\$ 306,505</u>	<u>\$ 306,505</u>

Additional project information:

Project Number	5185-070-10-1003
Grant Date	9/2/2010
Bond Authorization Date	2/1/2011
Bonds Authorized	\$1,061,200
Bonds Issued	\$1,061,200
Original Authorized Cost	\$1,820,000
Revised Authorized Cost	\$1,858,054
Percentage Increase over Original Authorized Cost	2.09%
Percentage completion	82.36%
Original target completion date	N/A
Revised target completion date	6/30/2013

**Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Improvements to Administration Building
For the Year Ended June 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ -	\$ -	\$ -	\$ -
Bond proceeds and transfers	202,000	-	202,000	202,000
Transfer from capital reserve	137,500	-	137,500	137,500
Total revenues	339,500	-	339,500	339,500
Expenditures and Other Financing Uses				
Purchased professional and technical services	13,987	-	13,987	13,987
Construction Services	267,041	-	267,041	267,041
Total expenditures	281,028	-	281,028	281,028
Excess (deficiency) of revenues over (under) expenditures	\$ 58,472	\$ -	\$ 58,472	\$ 58,472

Additional project information:

Project Number	5185-070-10-1003
Grant Date	9/2/2010
Bond Authorization Date	2/1/2011
Bonds Authorized	\$202,000
Bonds Issued	\$202,000
Original Authorized Cost	\$339,500
Revised Authorized Cost	\$339,500
Percentage Increase over Original Authorized Cost	0.00%
Percentage completion	82.78%
Original target completion date	N/A
Revised target completion date	6/30/2013

Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Security Upgrades to Mahala F. Atchison Elementary School
For the Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 50,714	\$	\$ 50,714	\$ 50,714
Transfer from capital reserve	<u>120,000</u>		<u>120,000</u>	<u>120,000</u>
Total revenues	<u>170,714</u>	<u>-</u>	<u>170,714</u>	<u>170,714</u>
Expenditures and Other Financing Uses				
Construction Services	<u>56,846</u>		<u>56,846</u>	<u>56,846</u>
Total expenditures	<u>56,846</u>	<u>-</u>	<u>56,846</u>	<u>56,846</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 113,868</u>	<u>\$ -</u>	<u>\$ 113,868</u>	<u>\$ 113,868</u>

Additional project information:

Project Number	5185-030-14-G2DY
Grant Date	2014
Original Authorized Cost	\$200,000
Revised Authorized Cost	\$200,000

Tinton Falls School District
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Security Upgrades to Swimming River Elementary School
 For the Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 44,190	\$ -	\$ 44,190	\$ 44,190
Transfer from capital reserve	114,000	-	114,000	114,000
Total revenues	158,190	-	158,190	158,190
Expenditures and Other Financing Uses				
Construction Services	50,536	-	50,536	50,536
Total expenditures	50,536	-	50,536	50,536
Excess (deficiency) of revenues over (under) expenditures	\$ 107,654	\$ -	\$ 107,654	\$ 107,654

Additional project information:

Project Number	5185-050-14-G2DZ
Grant Date	2014
Original Authorized Cost	\$190,000
Revised Authorized Cost	\$190,000

Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Security Upgrades to Tinton Falls Middle School
For the Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 53,724	\$ -	\$ 53,724	\$ 53,724
Transfer from capital reserve	120,000	-	120,000	120,000
Total revenues	<u>173,724</u>	<u>-</u>	<u>173,724</u>	<u>173,724</u>
Expenditures and Other Financing Uses				
Construction Services	<u>69,355</u>	<u>-</u>	<u>69,355</u>	<u>69,355</u>
Total expenditures	<u>69,355</u>	<u>-</u>	<u>69,355</u>	<u>69,355</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 104,369</u>	<u>\$ -</u>	<u>\$ 104,369</u>	<u>\$ 104,369</u>
Additional project information:				
Project Number	5185-070-14-G2EA			
Grant Date	2014			
Original Authorized Cost	\$200,000			
Revised Authorized Cost	\$200,000			

Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Renovations, Alterations and Improvements to Mahala F. Atchinson School
For the Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond proceeds and transfers	\$ 8,906,182	\$ -	\$ 8,906,182	\$ 8,906,182
Transfer from capital reserve	-	-	-	-
Total revenues	<u>8,906,182</u>	<u>-</u>	<u>8,906,182</u>	<u>8,906,182</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	670,171	46,665	716,836	716,836
Construction Services	5,753,828	1,942,583	7,696,411	7,696,411
Other Purchased Services	130,402	24,237	154,639	154,639
Total expenditures	<u>6,554,401</u>	<u>2,013,485</u>	<u>8,567,886</u>	<u>8,567,886</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,351,781</u>	<u>\$ (2,013,485)</u>	<u>\$ 338,296</u>	<u>\$ 338,296</u>

Additional project information:

Bond Authorization Date	9/26/2017
Bonds Authorized	\$9,607,000
Bonds Issued	7/24/2018
Original Authorized Cost	\$9,607,000
Revised Authorized Cost	\$8,906,182
Percentage Increase over Original Authorized Cost	-7.29%
Percentage completion	96.20%
Original target completion date	
Revised target completion date	

**Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Renovations, Alterations and Improvements to Swimming River School
For the Year Ended June 30, 2021**

Transfer from capital outlay				Revised Authorized Cost
	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	
Revenues and Other Financing Sources				
Bond proceeds and transfers	\$ 11,110,318	\$ -	\$ 11,110,318	\$ 11,110,318
Transfer from capital reserve	-	-	-	-
Total revenues	<u>11,110,318</u>	<u>-</u>	<u>11,110,318</u>	<u>11,110,318</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	876,020	68,263	944,283	944,283
Construction Services	9,024,882	837,233	9,862,115	9,862,115
Other Purchased Services	124,660	6,414	131,074	131,074
Total expenditures	<u>10,025,562</u>	<u>911,910</u>	<u>10,937,472</u>	<u>10,937,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,084,756</u>	<u>\$ (911,910)</u>	<u>\$ 172,846</u>	<u>\$ 172,846</u>

Additional project information:

Bond Authorization Date	9/26/2017
Bonds Authorized	\$9,484,000
Bonds Issued	7/24/2018
Original Authorized Cost	\$9,484,000
Revised Authorized Cost	\$11,110,318
Percentage Increase over Original Authorized Cost	17.15%
Percentage completion	98.44%
Original target completion date	
Revised target completion date	

Tinton Falls School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Renovations, Alterations and Improvements to Tinton Falls Middle School
For the Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond proceeds and transfers	\$ 12,482,500	\$ -	\$ 12,482,500	\$ 12,482,500
Transfer from capital reserve	-	-	-	-
Total revenues	<u>12,482,500</u>	<u>-</u>	<u>12,482,500</u>	<u>12,482,500</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	843,976	117,980	961,956	961,956
Construction Services	8,620,241	1,250,950	9,871,191	9,871,191
Other Purchased Services	210,453	-	210,453	210,453
Total expenditures	<u>9,674,670</u>	<u>1,368,930</u>	<u>11,043,600</u>	<u>11,043,600</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,807,830</u>	<u>\$ (1,368,930)</u>	<u>\$ 1,438,900</u>	<u>\$ 1,438,900</u>

Additional project information:

Bond Authorization Date	9/26/2017
Bonds Authorized	\$13,408,000
Bonds Issued	7/24/2018
Original Authorized Cost	\$13,408,000
Revised Authorized Cost	\$12,482,500
Percentage Increase over Original Authorized Cost	-6.90%
Percentage completion	88.47%
Original target completion date	
Revised target completion date	

PROPRIETARY FUNDS

Tinton Falls School District
Combining Statement of Net Position
Enterprise Funds
June 30, 2021

	<u>Food Service Program</u>	<u>Time + Program</u>	<u>Early Birds Program</u>	<u>Kindergarten Enrichment Program</u>	<u>Totals</u>
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 162,041	\$ 696,091	\$	\$ 588,096	\$ 1,446,228
Accounts Receivable:					
State	3,714				3,714
Federal	31,425				31,425
Other					-
Total Current Assets	<u>197,180</u>	<u>696,091</u>	<u>-</u>	<u>588,096</u>	<u>1,481,367</u>
Noncurrent Assets:					
Capital Assets:					
Equipment	54,091				54,091
Less Accumulated Depreciation	<u>(34,244)</u>				<u>(34,244)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>19,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,847</u>
Total Assets	<u>\$ 217,027</u>	<u>\$ 696,091</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,501,214</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	70,265	8,261			78,526
Deferred Revenue	<u>11,218</u>				<u>11,218</u>
Total Current Liabilities	<u>81,483</u>	<u>8,261</u>	<u>-</u>	<u>-</u>	<u>89,744</u>
Total Liabilities	<u>81,483</u>	<u>8,261</u>	<u>-</u>	<u>-</u>	<u>89,744</u>
NET POSITION					
Invested in Capital Assets Net of Related Debt	19,847				19,847
Unrestricted	<u>115,697</u>	<u>687,830</u>	<u>-</u>	<u>588,096</u>	<u>1,391,623</u>
Total Net Position	<u>\$ 135,544</u>	<u>\$ 687,830</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,411,470</u>

Tinton Falls School District
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
For the Year Ended June 30, 2021

	<u>Food Service Program</u>	<u>Time + Program</u>	<u>Early Birds Program</u>	<u>Kindergarten Enrichment Program</u>	<u>Totals</u>
Operating Revenues:					
Charges for Services:					
Daily Sales - Reimbursable Programs					-
Daily Sales - Non-Reimbursable Programs	\$ 18,695	\$	\$	\$	\$ 18,695
Miscellaneous	2,522	52,106	7,906		62,534
Total Operating Revenues	<u>21,217</u>	<u>52,106</u>	<u>7,906</u>	<u>-</u>	<u>81,229</u>
Operating Expenses:					
Cost of Food - Reimbursable	216,698				216,698
Cost of Food - Non-Reimbursable					-
Cost of Sales - Other					-
Labor	222,365	94,712	13,681		330,758
Supplies and Materials	17,207	3,775			20,982
Employee Benefits		6,942	1,113		8,055
Miscellaneous Expense	41,225	46,909	21,812		109,946
Depreciation	3,321				3,321
Total Operating Expenses	<u>500,816</u>	<u>152,338</u>	<u>36,606</u>	<u>-</u>	<u>689,760</u>
Operating Income (Loss)	(479,599)	(100,232)	(28,700)	-	(608,531)
Non-operating Revenues (Expenses):					
State Sources:					
State School Lunch Program	16,461				16,461
Federal Sources:					
National School Lunch Program	325,043				325,043
National School Breakfast Program	99,654				99,654
Seamless Summer Option	9,900				9,900
Food Distribution Program	29,911				29,911
Interest and Investment Revenue	25				25
Total Non-operating Revenues (Expenses)	<u>480,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,994</u>
Income (Loss) Before Contributions & Transfers	1,395	(100,232)	(28,700)	-	(127,537)
Transfers In (Out)					
Change in Net Position	1,395	(128,932)	28,700	-	(127,537)
Total Net Position - Beginning	<u>134,149</u>	<u>816,762</u>	<u>-</u>	<u>588,096</u>	<u>1,539,007</u>
Total Net Position—Ending	<u>\$ 135,544</u>	<u>\$ 687,830</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,411,470</u>

**Tinton Falls School District
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2021**

	<u>Food Service Program</u>	<u>Time + Program</u>	<u>Early Birds Program</u>	<u>Kindergarten Enrichment Program</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 17,475	\$ 52,106	\$ 7,906	\$	\$ 77,487
Payments to employees	(222,365)	(101,654)	(14,794)		(338,813)
Payments to vendors	(218,332)	(72,936)	(21,812)		(313,080)
Other Operating receipts	4,000				4,000
Other Operating payments		(28,700)	28,700		-
Net Cash Provided by (Used for) Operating Activities	<u>(419,222)</u>	<u>(151,184)</u>	<u>-</u>	<u>-</u>	<u>(570,406)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
State Sources	13,977				13,977
Federal Sources	437,184				437,184
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>451,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>451,161</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of Capital Assets	(16,275)				(16,275)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(16,275)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,275)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	25				25
Net Cash Provided by (Used for) Investing Activities	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25</u>
Net Increase (Decrease) in Cash and Cash Equivalents	15,689	(151,184)	-	-	(135,495)
Balances—Beginning of Year	146,352	847,275	-	588,096	1,581,723
Balances—End of Year	<u>\$ 162,041</u>	<u>\$ 696,091</u>	<u>\$ -</u>	<u>\$ 588,096</u>	<u>\$ 1,446,228</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	(479,599)	(100,232)	(28,700)	-	(608,531)
Adjustments to reconcile operating income (loss) to net cash provided by (Used for) operating activities:					
Depreciation	3,321				3,321
Transfers		(28,700)	28,700		-
(Increase) Decrease in Accounts Receivable	4,000				4,000
Increase (Decrease) in Deferred Revenue	(3,743)				(3,743)
(Increase) Decrease in Inventory					-
Increase (Decrease) in Accounts Payable	56,799	(22,252)			34,547
Total Adjustments	<u>60,377</u>	<u>(50,952)</u>	<u>28,700</u>	<u>-</u>	<u>38,125</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (419,222)</u>	<u>\$ (151,184)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (570,406)</u>

LONG-TERM DEBT

**Tinton Falls School District
General Long Term Debt Account Group
Statement of Serial Bonds
June 30, 2021**

ISSUE	Date of Issue	Amount of Issue	Annual Maturities Date	Amount	Interest Rate	Balance July 1, 2020	Issued	Retired	Balance June 30, 2021
School Refunding Bonds of 2011	7/7/2011	\$ 2,150,000	3/15/2022	265,000	3.250%				
						\$ 535,000	\$	\$ 270,000	\$ 265,000
School Bonds of 2011	2/1/2011	\$ 4,768,000				3,053,000		3,053,000	
Refunding School Bonds Series 2021	2/18/2021	\$ 2,495,000	3/15/2022	210,000	4.000%				
			3/15/2023	215,000	4.000%				
			3/15/2024	225,000	4.000%				
			3/15/2025	235,000	4.000%				
			3/15/2026	245,000	4.000%				
			3/15/2027	250,000	4.000%				
			3/15/2028	265,000	4.000%				
			3/15/2029	275,000	4.000%				
			3/15/2030	285,000	4.000%				
			3/15/2031	290,000	4.000%		2,495,000		2,495,000

**Tinton Falls School District
General Long Term Debt Account Group
Statement of Serial Bonds
June 30, 2021**

ISSUE	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2020	Issued	Retired	Balance June 30, 2021
School Bonds of 2018	7/24/2018	\$ 29,085,000	7/15/2021	1,000,000	5.000%				
			7/15/2022	1,075,000	5.000%				
			7/15/2023	1,130,000	5.000%				
			7/15/2024	1,185,000	5.000%				
			7/15/2025	1,250,000	5.000%				
			7/15/2026	1,310,000	5.000%				
			7/15/2027	1,380,000	5.000%				
			7/15/2028	1,450,000	5.000%				
			7/15/2029	1,525,000	5.000%				
			7/15/2030	1,600,000	5.000%				
			7/15/2031	1,685,000	5.000%				
			7/15/2032	1,770,000	5.000%				
			7/15/2033	1,850,000	5.000%				
			7/15/2034	1,920,000	4.000%				
			7/15/2035	1,990,000	5.000%				
			7/15/2036	1,990,000	5.000%				
			7/15/2037	1,990,000	4.000%				
			7/15/2038	1,990,000	4.000%				
						29,085,000		995,000	28,090,000
						\$ 32,673,000	\$ 2,495,000	\$ 4,318,000	\$ 30,850,000

Exhibit I-2

**Tinton Falls School District
 General Long Term Debt Account Group
 Statement of Obligations under Capital Leases
 June 30, 2021**

SERIES	Amount	Issued in	Retired in	Amount
	Outstanding on July 1, 2020	Current Year	Current Year	Outstanding on June 30, 2021
Copy Machines	\$ 38,353	\$ 116,514	\$ 38,353	\$ 116,514
Various Technology Equipment		503,621	90,349	413,272
TOTAL	\$ 38,353	\$ 620,135	\$ 128,702	\$ 529,786

**Tinton Falls School District
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2021**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,183,280	\$ -	\$ 2,183,280	\$ 2,183,280	\$ -
State Sources:					
Debt Service Aid Type II	795,473		795,473	795,473	-
Local Sources:					
Miscellaneous				5,312	
Total Revenues	2,978,753	-	2,978,753	2,984,065	-
EXPENDITURES:					
Regular Debt Service:					
Interest	1,488,753		1,488,753	1,438,886	49,867
Redemption of Principal	1,490,000		1,490,000	1,490,000	-
Total Regular Debt Service	2,978,753		2,978,753	2,928,886	49,867
Total expenditures	2,978,753	-	2,978,753	2,928,886	49,867
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	55,179	49,867
Other Financing Sources:					
Operating Transfers In:					
Interest Earned in Capital Projects Fund				9,896	9,896
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	65,075	59,763
Fund Balance, July 1	1		1	1	
Fund Balance, June 30	1		1	65,076	59,763

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
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Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
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Demographic and Economic Information

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Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
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- J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

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Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.	

BOROUGH OF TINTON FALLS 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	\$ 12,239,035	\$ 15,185,862	\$ 16,413,404	\$ 16,993,755	\$ 18,149,617	\$ 18,402,959	\$ 19,966,758	\$ 6,536,339	\$ 11,374,363	\$ 14,540,819
Restricted	13,389,529	9,452,784	10,128,673	10,323,834	11,469,106	12,853,174	11,668,484	28,519,417	22,595,523	18,507,701
Unrestricted	48,971	3,141,906	2,973,257	(2,960,149)	(3,135,586)	(4,007,492)	(6,137,731)	(7,253,134)	(6,668,085)	(6,081,392)
Total Governmental Activities Net Position	\$ 25,677,535	\$ 27,780,552	\$ 29,515,334	\$ 24,357,440	\$ 26,483,137	\$ 27,248,641	\$ 25,497,511	\$ 27,804,622	\$ 27,311,801	\$ 26,967,128
Business-type Activities										
Invested in Capital Assets, Net of Related Debt	9,394	8,350	7,307	6,263	5,219	4,175	3,131	2,088	6,894	19,847
Restricted	777,445	935,275	1,093,434	1,249,337	1,397,869	1,527,914	1,577,257	1,569,470	1,532,113	1,391,623
Unrestricted										
Total Business-type Activities Net Position	\$ 786,839	\$ 943,625	\$ 1,100,741	\$ 1,255,600	\$ 1,403,088	\$ 1,532,089	\$ 1,580,388	\$ 1,571,558	\$ 1,539,007	\$ 1,411,470
District-wide										
Invested in Capital Assets, Net of Related Debt	12,248,429	15,194,212	16,420,711	17,000,018	18,154,836	18,407,134	19,969,889	6,540,427	11,381,257	14,560,666
Restricted	13,389,529	9,452,784	10,128,673	10,323,834	11,469,106	12,853,174	11,668,484	28,519,417	22,595,523	18,507,701
Unrestricted	826,416	4,077,181	4,066,691	(1,710,812)	(1,737,717)	(2,479,578)	(4,560,474)	(5,683,664)	(5,125,972)	(4,689,769)
Total District Net Position	\$ 26,464,374	\$ 28,724,177	\$ 30,616,075	\$ 25,613,040	\$ 27,886,225	\$ 28,780,730	\$ 27,077,899	\$ 29,376,180	\$ 28,850,808	\$ 28,378,598

Source: District Audits

Note: The assigned reserve for encumbrances were included in unrestricted for FY 2013 and 2014, prior to that it was included in the restricted dollar amounts.

BOROUGH OF TINTON FALLS 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	\$ 7,657,700	\$ 7,727,613	\$ 7,111,079	\$ 7,662,108	\$ 7,462,267	\$ 6,973,674	\$ 8,228,680	\$ 7,889,102	\$ 8,048,625	\$ 8,393,971
Special Education	2,268,751	2,163,019	2,245,663	2,646,554	2,508,558	2,721,078	3,570,659	3,433,923	3,486,333	3,967,899
Other Special Instruction	373,591	406,389	428,882	425,761	369,798	388,129	434,846	428,176	484,780	511,933
Other Instruction	115,722	117,308	123,080	171,835	128,277	131,710	129,645	137,863	131,411	110,850
Support Services:										
Tuition	457,644	540,165	472,421	547,665	664,173	621,870	514,783	418,977	307,704	509,319
Student & Instruction Related Services	2,903,659	3,309,953	3,446,431	4,271,609	3,867,661	4,691,414	4,359,164	4,319,177	4,026,625	3,701,799
General Administrative Services	541,409	532,366	575,136	556,687	560,877	544,547	551,705	461,912	460,685	526,693
School Administrative Services	942,805	908,650	915,384	978,620	922,480	903,093	898,976	982,104	976,250	999,433
Central Services & Admin. Info. Technology	430,472	385,938	360,903	422,291	427,027	459,300	471,537	476,862	469,952	506,498
Plant Operations and Maintenance	1,659,335	1,713,986	1,770,799	1,830,685	1,797,717	1,945,615	1,939,079	1,951,250	2,082,704	2,547,611
Pupil Transportation	1,639,865	1,542,468	1,603,811	1,801,115	1,797,081	1,872,239	1,752,236	2,056,320	1,946,026	2,038,571
Unallocated Benefits	4,993,625	6,047,880	6,189,116	9,029,891	10,469,011	12,761,445	14,056,811	11,927,582	11,206,511	12,047,541
Capital outlay-undepreciable	12,942	17,762	17,762	17,235	17,762	23,244	18,282	17,763	17,762	17,363
Capital Leases-undepreciable							28,763			620,135
Transfer of Funds to Charter School	536,127	507,278	441,297	347,834	304,998	235,922	197,715	1,458,253	1,526,828	1,472,105
Interest on Long-term Debt	934,218	1,147,000	1,251,235	1,454,699	1,456,741	1,545,998	1,538,243	1,562,376	3,149,867	3,447,089
Unallocated Depreciation	25,467,865	27,067,755	26,952,999	32,164,589	32,754,428	35,819,278	38,691,124	37,521,640	38,322,063	41,418,810
Total Governmental Activities Expenses	\$ 26,199,843	\$ 27,779,390	\$ 27,637,542	\$ 32,880,268	\$ 33,369,161	\$ 36,428,691	\$ 39,386,416	\$ 38,248,831	\$ 38,924,659	\$ 42,108,570
Business-type Activities:										
Food Service	487,597	452,665	445,823	456,482	480,606	476,788	475,937	493,031	369,353	500,816
Time+	144,880	158,016	145,455	159,142	132,581	132,625	192,137	199,674	191,600	152,338
Kindergarten Enrichment Program	99,501	100,954	93,265	100,055	1,546					
Early Bird Program							27,218	34,486	41,643	36,606
Total Business-type Activities Expenses	\$ 731,978	\$ 711,635	\$ 684,543	\$ 715,679	\$ 614,733	\$ 609,413	\$ 695,292	\$ 727,191	\$ 602,596	\$ 689,760
Total District Expenses	\$ 26,931,821	\$ 28,491,025	\$ 28,322,085	\$ 33,595,947	\$ 34,003,894	\$ 37,038,104	\$ 40,081,712	\$ 38,975,962	\$ 39,527,255	\$ 42,798,140
Program Revenues										
Governmental Activities:										
Operating and Capital Grants and Contributions	2,691,591	2,520,762	2,640,958	1,792,817	1,336,988	1,843,290	1,745,154	1,821,865	1,853,222	2,157,976
Total Governmental Activities Program Revenues	\$ 2,691,591	\$ 2,520,762	\$ 2,640,958	\$ 1,792,817	\$ 1,336,988	\$ 1,843,290	\$ 1,745,154	\$ 1,821,865	\$ 1,853,222	\$ 2,157,976
Business-type Activities:										
Charges for Services:										
Food Service	346,008	348,374	309,023	283,691	302,980	283,017	274,238	284,144	214,468	21,217
Operating Grants and Contributions	124,028	138,602	153,371	170,779	204,668	210,125	195,688	195,228	140,610	480,969
Kindergarten Enrichment	158,418	157,990	163,015	192,239	10,453	-	-	-	-	-
Time+	182,109	184,447	243,012	223,829	244,120	245,272	250,469	210,241	184,242	52,106
Early Bird Program							23,196	28,748	30,725	7,906
Total Business-type Activities Program Revenues	\$ 810,563	\$ 829,413	\$ 868,421	\$ 870,538	\$ 762,221	\$ 738,414	\$ 743,591	\$ 718,361	\$ 570,045	\$ 562,198
Total District Program Revenues	\$ 3,502,154	\$ 3,350,175	\$ 3,509,379	\$ 2,663,355	\$ 2,099,209	\$ 2,581,704	\$ 2,488,745	\$ 2,540,226	\$ 2,423,267	\$ 2,720,174

BOROUGH OF TINTON FALLS 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
Net (Expense)/Revenue										
Governmental Activities	(22,776,274)	(24,546,993)	(24,312,041)	(30,371,772)	(31,417,440)	(33,975,988)	(36,945,970)	(35,699,775)	(36,488,841)	(39,260,834)
Business-type Activities	78,585	117,778	183,878	154,859	147,488	129,001	48,299	(8,830)	(32,551)	(127,562)
Total District-wide Net Expense	\$ (22,697,689)	\$ (24,429,215)	\$ (24,128,163)	\$ (30,216,913)	\$ (31,269,952)	\$ (33,846,987)	\$ (36,897,671)	\$ (35,708,605)	\$ (36,501,392)	\$ (39,388,396)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	18,387,437	18,755,185	19,016,660	20,115,792	20,843,321	21,882,943	22,493,327	23,053,423	23,710,281	24,184,486
Taxes Levied for Debt Service	1,535,406	1,880,554	1,827,908	2,008,505	1,967,742	1,510,456	658,032	650,575	1,982,777	2,183,280
Unrestricted Federal and State Aid	4,201,864	5,065,716	5,541,513	8,092,232	9,469,938	11,127,164	12,095,044	9,820,907	9,489,558	12,075,991
Tuition Received	34,161	93,011	58,954	197,963	190,185	148,742	77,784	301,679	281,844	277,832
Interest on Investments	26,928	14,410	8,160	102,628	113,901	120,263	264,142	766,302	511,560	146,620
Miscellaneous Income	51,486	89,999	71,166							
Loss on refunding of long-term debt										
Capital Asset Adjustment						(48,076)				
Gain / (Loss) on Disposal of Assets										
Bond Premiums										
Transfers			5,452		964,736		(393,489)	3,414,000		
Cancellation of State Grants Receivable										
Total Governmental Activities	24,237,282	25,953,037	26,529,813	30,517,110	33,549,823	34,741,492	35,194,840	38,006,886	35,976,020	38,868,209
Business-type Activities:										
Miscellaneous										25
Total Business-type Activities										25
Total District-wide	\$ 24,237,282	\$ 25,953,037	\$ 26,529,813	\$ 30,517,110	\$ 33,549,823	\$ 34,741,492	\$ 35,194,840	\$ 38,006,886	\$ 35,976,020	\$ 38,868,234
Change in Net Position										
Governmental Activities	1,461,008	1,406,044	2,217,772	145,338	2,125,697	765,504	(1,751,130)	2,307,111	(492,821)	(392,625)
Business-type Activities	78,585	117,778	183,878	154,859	147,488	129,001	48,299	(8,830)	(32,551)	(127,537)
Total District	\$ 1,539,593	\$ 1,523,822	\$ 2,401,650	\$ 300,197	\$ 2,273,185	\$ 894,505	\$ (1,702,831)	\$ 2,298,281	\$ (525,372)	\$ (520,162)

Source: District Audits

BOROUGH OF TINTON FALLS 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										
Unreserved										
Restricted	\$ 6,932,097	\$ 6,815,872	\$ 7,905,907	\$ 7,855,568	\$ 9,456,894	\$ 10,836,074	\$ 11,657,328	\$ 12,747,364	\$ 13,715,965	\$ 13,867,393
Assigned	2,530,453	3,055,392	2,985,905	2,193,326	2,470,719	1,983,850	712,047	504,105	990,480	924,125
Unassigned	674,684	741,512	604,776	760,277	461,600	525,224	554,422	674,621	703,621	1,503,213
Total General fund	\$ 10,137,234	\$ 10,612,776	\$ 11,496,588	\$ 10,809,171	\$ 12,389,213	\$ 13,345,148	\$ 12,923,797	\$ 13,926,090	\$ 15,410,066	\$ 16,294,731
All Other Governmental Funds										
Reserved										
Unreserved, Reported in:										
Special Revenue Fund										43,497
Capital Projects Fund										
Debt Service										
Restricted, Reported in:										
Capital Projects Fund	3,873,604	2,582,143	2,212,246	2,460,204	2,003,151	2,003,151	(714,852)	15,262,740	7,889,077	3,672,686
Debt Service Fund	53,375	54,769	9,404	8,062	9,061	13,949	13,961	5,208	1	65,076
Total All Other Governmental Funds	\$ 3,926,979	\$ 2,636,912	\$ 2,221,650	\$ 2,468,266	\$ 2,012,212	\$ 2,017,100	\$ (700,891)	\$ 15,267,948	\$ 7,889,078	\$ 3,781,259

Source: District Audits

BOROUGH OF TINTON FALLS SCHOOL DISTRICT
Governmental Fund Expenditures by Function
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax Levy	\$ 20,635,739	\$ 20,844,568	\$ 21,493,097	\$ 22,124,297	\$ 22,811,063	\$ 23,393,399	\$ 23,151,359	\$ 23,703,998	\$ 25,693,058	\$ 26,367,766
Other Local Revenue	197,420	229,506	168,305	300,581	304,086	269,005	341,926	1,032,933	793,404	424,452
State Sources	6,801,088	7,295,646	6,385,646	6,583,007	6,752,855	7,199,162	7,467,402	8,371,918	9,138,045	10,343,157
Federal Sources	751,702	795,600	642,468	762,989	693,013	890,512	738,505	651,851	669,772	968,540
Total Revenues	28,385,949	29,165,320	28,639,516	29,770,874	30,561,017	31,752,078	31,699,192	33,760,700	36,294,279	38,103,915
Expenditures										
Instruction:										
Regular	7,591,154	7,700,597	7,086,213	7,604,821	7,405,055	6,919,342	8,187,077	7,854,954	8,000,848	8,344,408
Special	2,268,751	2,163,019	2,245,663	2,646,554	2,508,558	2,721,078	3,570,659	3,433,923	3,486,333	3,967,899
Other Special Instruction	373,591	406,369	428,882	425,761	369,798	388,129	434,846	428,176	484,780	511,933
Other Instruction	115,722	117,308	123,080	171,835	128,277	131,710	129,645	137,863	131,411	110,850
Support Services:										
Instruction - Tuition	443,585	540,165	472,421	547,665	664,173	621,870	514,783	418,977	307,704	509,319
Student Related Services	2,883,712	3,309,953	3,446,431	4,271,609	3,867,661	4,691,414	4,359,164	4,319,177	4,026,625	3,701,799
General Administration	541,409	512,028	545,022	543,026	546,159	601,789	567,314	481,457	486,253	526,693
School Administration	942,805	908,650	915,384	978,620	922,480	903,093	898,976	982,104	976,250	999,433
Central Services & Admin. Info. Technology	430,472	385,938	388,191	449,579	454,315	459,300	471,537	476,862	469,952	506,498
Operations and Maintenance	1,648,346	1,749,202	1,758,067	1,820,464	1,785,816	1,934,133	1,927,597	1,938,567	2,071,528	2,533,288
Student Transportation	1,639,865	1,542,468	1,603,811	1,801,115	1,797,081	1,872,239	1,752,236	2,056,320	1,946,026	2,038,571
Employee Benefits	5,072,247	6,004,770	6,213,400	6,456,757	6,949,405	7,427,498	8,241,420	9,346,902	9,579,635	9,890,159
Transfer to Charter School	14,060					28,763				
Capital Outlay	3,095,904	2,900,166	1,121,963	431,166	983,585	702,075	2,697,800	16,789,006	7,547,039	4,805,285
Debt Service:										
Principal	1,345,000	1,360,000	1,415,000	1,675,000	1,710,000	1,305,000	460,000	475,000	490,000	1,490,000
Interest and Other Charges	575,123	521,103	455,703	387,703	309,402	240,428	203,228	184,328	2,184,790	1,438,886
Total Governmental Fund Expenditures	28,981,746	30,121,736	28,219,231	30,211,675	30,401,765	30,919,098	34,445,045	49,323,616	42,189,174	41,375,021
Excess (Deficiency) of Revenues Over (Under) Expenditures	(595,797)	(956,416)	470,285	(440,801)	159,252	832,980	(2,745,853)	(15,562,916)	(5,894,895)	(3,271,106)
Other Financing Sources (Uses)										
Cancelled Receivable's from State					(94,418)		(393,489)	35,048		
Bond Proceeds								29,085,000		
Bond Premium								3,414,000		
Operating Transfers In	5,004	10,659	59,972	357,865	1,426,984	479,264	182,363	282,515	189,302	9,896
Operating Transfers Out	(5,004)	(5,207)	(61,707)	(357,865)	(367,830)	(479,264)	(182,363)	(282,515)	(189,302)	(9,896)
Proceeds from Borrowing	34,014									
Payment to refunding escrow	(743,836)									
Assets Acquired Under Capital Leases (non -budgeted)										
Capital Leases (non-budgeted)		136,439				127,843				(620,135)
Total Other Financing Sources (Uses)	(709,822)	141,891	(1,735)	964,736	964,736	127,843	(393,489)	32,534,048		620,135
Net Changes in Fund Balance	\$ (1,305,619)	\$ (814,525)	\$ 468,550	\$ (440,801)	\$ 1,123,988	\$ 960,823	\$ (3,139,342)	\$ 16,971,132	\$ (5,894,895)	\$ (3,271,106)
Debt Service as a percentage of noncapital expenditures	7.42%	6.91%	6.90%	6.93%	6.86%	5.11%	2.09%	2.03%	7.72%	8.01%

Source: District records.

Note: Noncapital expenditures are total expenditures less capital outlay.
 Central Service and Administrative Information Technology account classifications were added beginning with year end June 30,2005.
 Prior to June 30,2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

BOROUGH OF TINTON FALLS SCHOOL DISTRICT

**General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited**

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Interest Income</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 93,011	\$ 9,406	\$ 56,311	158,728
2013	58,984	8,160	65,930	133,074
2014	72,534		62,121	134,655
2015	197,953	7,565	95,063	300,581
2016	190,185	16,527	52,353	259,065
2017	148,742	35,141	63,249	247,132
2018	77,784	127,778	136,364	341,926
2019	301,679	429,886	301,368	1,032,933
2020	281,844	384,374	127,186	793,404
2021	277,832	33,047	67,991	378,870

Source: District records.

Tinton Falls School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Borough of Tinton Falls:

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax- Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2011	\$ 81,442,000	\$ 1,979,718,700	\$ 5,961,600	\$ 526,100,300	\$ 35,757,400	\$ 239,172,900	\$ 2,868,382,000	\$ 0	\$ 4,457,320	\$ 2,872,839,320	0.703	\$ 3,094,264,906
2012	73,089,000	1,895,100,800	5,961,700	509,307,800	32,164,200	239,172,900	2,755,025,600	0	3,862,979	2,758,888,579	0.739	2,911,474,837
2013	76,574,400	1,894,145,300	5,961,700	506,907,300	32,164,200	239,172,900	2,755,155,000	0	3,862,979	2,759,017,979	0.763	2,863,000,331
2014	71,275,400	1,884,256,400	6,322,700	506,638,000	31,777,200	203,907,700	2,704,406,500	0	3,188,772	2,707,595,272	0.804	2,999,964,878
2015	69,736,200	2,027,957,900	7,616,400	580,527,900	31,358,700	203,955,800	2,921,345,800	0	3,750,585	2,925,096,385	0.768	3,055,364,119
2016	65,269,000	2,087,213,900	8,107,500	596,546,900	30,908,000	189,335,900	2,977,575,900	0	3,672,701	2,981,248,601	0.774	3,180,001,569
2017	58,513,400	2,171,211,000	7,819,400	586,483,700	31,279,700	190,251,700	3,045,735,100	0	3,744,960	3,049,480,060	0.747	3,191,353,956
2018	54,390,000	2,292,710,400	8,069,400	600,048,300	34,033,700	193,103,400	3,182,535,600	0	3,706,090	3,186,241,690	0.732	3,263,689,411
2019	57,945,400	2,412,890,500	7,571,500	612,259,600	36,418,000	234,462,600	3,361,687,600	0	3,771,887	3,365,459,487	0.751	3,447,867,778
2020	66,903,300	2,492,736,400	7,170,100	632,872,500	37,453,400	234,561,600	3,471,697,300	0	3,828,057	3,475,525,357	0.746	3,565,938,238

Source: District records Tax list summary, Municipal Tax Assessor and Monmouth County Abstract of Rates

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

R Denotes revaluation.

Tinton Falls School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Shrewsbury Township:

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2011 \$	0 \$	24,964,700	0 \$	0 \$	0 \$	0 \$	47,606,300	72,571,000	0 \$	191,912	72,762,912	1 \$	69,659,242
2012	0	20,494,700	0	0	0	0	36,002,600	56,497,300	0	358,313	56,855,613	1	53,374,413
2013	0	20,494,700	0	0	0	0	36,002,600	56,497,300	0	358,313	56,855,613	1	60,896,723
2014	0	20,465,600	0	0	0	0	36,002,600	56,468,200	0	386,483	56,854,683	1	56,854,683
2015	0	17,662,400	0	0	0	0	32,241,700	49,904,100	0	403,243	50,307,343	1	52,019,037
2016	0	19,315,800	0	0	0	0	33,224,700	52,540,500	0	403,895	52,944,395	1	52,018,826
2017	0	19,564,700	0	0	0	0	34,309,800	53,874,500	0	404,763	54,279,263	1	53,088,608
2018	0	19,875,800	0	0	0	0	38,055,000	57,930,800	0	409,645	58,340,445	1	53,118,691
2019	0	19,768,700	0	0	0	0	40,078,000	59,846,700	0	409,750	60,256,450	1	53,118,322
2020	0	21,308,900	0	0	0	0	47,279,500	68,588,400	0	112,402	68,700,802	1	55,924,150

Source: District records Tax list summary, Municipal Tax Assessor and Monmouth County Abstract of Ratables

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

R Denotes revaluation.

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

Borough of Tinton Falls:

Fiscal Year Ended June 30,	Tinton Falls School District				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Local School District	Total Direct	Monmouth Regional School District			Monmouth County	
					Tinton Falls Borough	Library/Other	Monmouth County		
2011	0.649	0.054	0.703	0.703	0.366	0.439	0.300	1.808	
2012	0.672	0.067	0.739	0.739	0.409	0.464	0.305	1.917	
2013	0.693	0.070	0.763	0.763	0.406	0.477	0.314	1.960	
2014	0.729	0.075	0.804	0.804	0.434	0.517	0.342	2.097	
2015	0.696	0.072	0.768	0.768	0.415	0.504	0.320	2.007	
2016	0.707	0.067	0.774	0.774	0.428	0.515	0.315	2.032	
2017	0.726	0.021	0.747	0.747	0.416	0.521	0.284	1.987	
2018	0.712	0.020	0.732	0.732	0.393	0.512	0.282	1.937	
2019	0.693	0.058	0.751	0.751	0.397	0.495	0.272	1.933	
2020	0.688	0.058	0.746	0.746	0.416	0.487	0.270	1.937	

Township of Shrewsbury:

Fiscal Year Ended June 30,	Tinton Falls School District				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Local School District	Total Direct	Monmouth Regional School District			Monmouth County	
					Shrewsbury Township	County Library/Other	Monmouth County		
2011	0.588	0.049	0.637	0.637	0.316	1.042	0.255	2.264	
2012	0.701	0.078	0.779	0.779	0.469	1.327	0.264	2.853	
2013	0.699	0.077	0.776	0.776	0.427	1.429	0.313	2.964	
2014	0.644	0.051	0.695	0.695	0.451	1.462	0.286	2.911	
2015	0.631	0.050	0.681	0.681	0.573	1.688	0.305	3.266	
2016	0.575	0.054	0.629	0.629	0.582	1.453	0.276	2.958	
2017	0.642	0.019	0.661	0.661	0.475	1.438	0.270	2.862	
2018	0.580	0.018	0.598	0.598	0.354	1.336	0.255	2.559	
2019	0.630	0.053	0.683	0.683	0.313	1.355	0.239	2.605	
2020	0.626	0.053	0.679	0.679	0.252	1.297	0.196	2.564	

Source: District Records and Municipal Tax Collector

N/A=NOT AVAILABLE

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.

R Revaluation year.

**Tinton Falls School District
Principal Property Taxpayers,**

Exhibit J-8a

Unaudited

TINTON FALLS BOROUGH

	2020			2010		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Tinton Falls Campus LLC	\$ 179,612,000	1	5.90%			
CPG Tinton Falls Urban Renewal LLC	177,381,400	2	5.82%	73,706,400.00	1	6.46%
Avalonbay Community Inc.	41,514,500	3	1.36%			
SHP V Shrewsbury LLC	18,177,500	8	0.60%			
Tinton Pines Construction Co.	16,689,900	4	0.55%			
Stavola Realty Company	16,436,400	6	0.54%	22,053,600.00	2	1.93%
Tinton Falls Lodging Realty, LLC	15,839,200	5	0.52%	7,033,100.00	6	0.62%
Hovsons, Inc.	14,262,500	8	0.47%	6,621,100.00	7	0.58%
Apple Street Holdings, LLC	14,169,500	9	0.47%			
Sudler Monmouth, LLC	13,235,800	10	0.43%			
Tinton Telecom Center, LLC				12,000,000.00	3	1.05%
BT-NEWYO,LLC				8,967,500.00	4	0.79%
Kapson Tinton Falls Corp.				7,905,600.00	5	0.69%
Shrewsbury / 35 Associates, LLC				6,446,400.00	8	0.57%
HPTY Corp. (Marriot)				5,880,600.00	9	0.52%
Winn Ltd (Holiday Inn)				5,800,000.00	10	0.51%
	\$507,318,700		16.66%	\$156,414,300		13.72%

Source: Municipal Tax Assessor

Tinton Falls School District
Principal Property Taxpayers

Exhibit J-8b

Unaudited

SHREWSBURY TOWNSHIP

	2020			2010		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Shrewsbury Apartments LLC	\$ 10,750,000	1	0.78%			
Shrewsbury Apartments LLC	7,500,000	2	0.41%			
Shrewsbury Apartments LLC	1,750,000	3	0.01%			
Alfred Vail Mutual	300,000		0.01%	13,334,300	1	48.86%
Bell Atlantic			0.01%	4,800,000	2	17.59%
Township of Shrewsbury			0.01%	861,000	3	3.16%
Taxpayer #1	194,500	4	0.01%	77,900	4	0.29%
Taxpayer #2	182,900	5	0.01%	77,900	5	0.29%
Taxpayer #3	182,900	6	0.01%	77,900	6	0.29%
Taxpayer #4	182,900	7		77,900	7	0.29%
Taxpayer #5	182,900	8		77,900	8	0.29%
Taxpayer #6	182,900	9		77,900	9	0.29%
Taxpayer #7	182,900	10		77,900	10	0.29%
Total	\$ 21,591,900		1.24%	\$ 19,540,600		71.64%

Source: Municipal Tax Assessor
N/A = Not Available

Tinton Falls School District
Property Tax Levies and Collections,
Last Ten Fiscal Years

TINTON FALLS BOROUGH

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012 \$	20,203,280	\$ 20,203,280	100.00%	-
2013	20,401,832	20,401,832	100.00%	-
2014	21,046,655	21,046,655	100.00%	-
2015	21,766,123	21,766,123	100.00%	-
2016	22,478,336	22,478,336	100.00%	-
2017	23,076,751	23,076,751	100.00%	-
2018	22,791,555	22,791,555	100.00%	-
2019	23,314,486	23,314,486	100.00%	-
2020	25,280,800	25,280,800	100.00%	-
2021	26,355,873	26,355,873	100.00%	-

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

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

**Tinton Falls School District
Property Tax Levies and Collections,
Last Nine Fiscal Years**

SHREWSBURY TOWNSHIP

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012 \$	432,459 \$	432,459	100.00%	-
2013	442,736	442,736	100.00%	-
2014	446,442	446,442	100.00%	-
2015	358,174	358,174	100.00%	-
2016	332,727	332,727	100.00%	-
2017	316,648	316,648	100.00%	-
2018	359,804	359,804	100.00%	-
2019	389,512	389,512	100.00%	-
2020	412,258	412,258	100.00%	-
2021	410,249	410,249	100.00%	-

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

^a

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

Tinton Falls School District
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 Unaudited

Borough of Tinton Falls:

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities			Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Debt Authorized but not Issued	Capital Leases	Total District	Personal Income ^a		
2012 \$	12,228,440	\$ 0	\$ 45,808	0	\$	\$ 12,274,248	1.12%	687	
2013	10,881,187	0	136,439	0		11,017,626	0.97%	613	
2014	9,508,940	0	109,151	0		9,618,091	0.81%	537	
2015	7,867,440	0	81,863	0		7,949,303	0.66%	443	
2016	6,191,640	0	54,575	0		6,246,215	0.50%	349	
2017	4,912,740	0	115,058	0		5,027,798	0.40%	282	
2018	4,778,467	0	89,490	31,966,829		36,834,786	2.75%	2,071	
2019	32,631,894	0	62,643	0		32,694,537	2.33%	1,862	
2020	31,148,745	0	37,720	0		31,186,465	N/A	N/A	
2021	30,378,230	0	521,684	0		30,899,914	N/A	N/A	

Shrewsbury Township:

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities			Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Debt Authorized but not Issued	Capital Leases	Total District	Personal Income ^a		
2012 \$	249,560	\$ 0	\$ 45,808	0	\$	\$ 295,368	0.43%	263	
2013	236,813	0	136,439	0		373,252	0.53%	332	
2014	194,060	0	109,151	0		303,211	0.41%	271	
2015	160,560	0	81,863	0		242,423	0.34%	240	
2016	126,360	0	54,575	0		180,935	0.24%	179	
2017	100,260	0	115,058	0		215,318	0.27%	215	
2018	225,467	0	89,490	532,171		847,128	1.07%	853	
2019	531,106	0	1,278	0		532,384	1.50%	495	
2020	524,255	0	633	0		524,888	N/A	N/A	
2021	471,770	0	8,102	0		479,872	N/A	N/A	

N/A= Not Available

Note: Details regarding the districts' 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 calendar year.

Tinton Falls School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Calendar Years
Unaudited

Borough of Tinton Falls:

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		
2012 \$	12,228,440	\$ -	12,228,440	0.44%	\$ 677
2013	10,881,186	-	10,881,186	0.39%	603
2014	9,508,940	-	9,508,940	0.35%	528
2015	7,867,440	-	7,867,440	0.27%	438
2016	6,191,640	-	6,191,640	0.21%	346
2017	4,912,740	-	4,912,740	0.16%	275
2018	4,778,467	-	4,778,467	0.15%	269
2019	32,631,894	-	32,631,894	0.97%	1,858
2020	31,148,745	-	31,148,745	0.93%	1,785
2021	30,378,230	-	30,378,230	0.87%	1,584

Shrewsbury Township:

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		
2012 \$	249,560	\$ -	249,560	0.44%	\$ 244
2013	236,813	-	236,813	0.42%	233
2014	194,060	-	194,060	0.34%	191
2015	160,560	-	160,560	0.32%	159
2016	126,360	-	126,360	0.24%	125
2017	100,260	-	100,260	0.18%	100
2018	225,467	-	225,467	0.39%	227
2019	531,106	-	531,106	0.88%	494
2020	524,255	-	524,255	0.87%	487
2021	471,770	-	471,770	0.69%	438

N/A= Not Available

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

^b Population data can be found in Exhibit NJ J-14.

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

**Tinton Falls School District
Direct and Overlapping Governmental Activities Debt
As of December 31, 2020**

Exhibit J-12

Borough of Tinton Falls

Debt repaid with property taxes

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Tinton Falls Borough (Net Debt)	\$ 15,680,000	100.000%	\$ 15,680,000
Monmouth County General Obligation Debt (Net Debt)	481,238,393	2.696%	12,973,417
Monmouth Regional High School	24,755,000	59.237%	14,664,186
Tinton Falls School District Direct Debt Outstanding	31,678,000	98.395%	31,169,568
Total direct and overlapping debt	\$ 74,487,171		\$ 74,487,171

Township of Shrewsbury

Debt repaid with property taxes

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Township of Shrewsbury (Net Debt)	\$ 1,258,560	100.000%	\$ 1,258,560
Monmouth County General Obligation Debt	481,238,393	0.048%	232,716
Monmouth Regional High School	24,755,000	0.920%	227,869
Shrewsbury Township School District Direct Debt Outstanding	31,678,000	1.605%	508,289
Total direct and overlapping debt	\$ 2,227,435		\$ 2,227,435

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.
Debt outstanding data provided by each governmental unit annual debt statement.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. 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.

**Tinton Falls School District
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited**

Exhibit J-14

Borough of Tinton Falls:

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2011	18,063	\$ 1,098,031,707	\$ 60,789	8.1%
2012	18,037	1,136,781,925	63,025	8.5%
2013	18,016	1,147,745,312	63,707	8.6%
2014	17,946	1,196,675,172	66,682	5.9%
2015	17,877	1,248,511,803	69,839	4.9%
2016	17,836	1,270,583,132	71,237	4.3%
2017	17,789	1,341,201,655	75,395	3.9%
2018	17,563	1,404,653,614	79,978	3.5%
2019	17,451	1,392,554,898	79,798	3.1%
2020	19,181	1,057,371,806	55,126	7.2%

Shrewsbury Township:

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2011	1,023	\$ 62,187,147	\$ 60,789	13.8%
2012	1,022	64,411,550	63,025	14.3%
2013	1,021	65,044,847	63,707	8.0%
2014	1,018	67,882,276	66,682	6.6%
2015	1,014	70,816,746	69,839	5.3%
2016	1,012	72,091,844	71,237	4.8%
2017	1,010	76,148,950	75,395	4.8%
2018	1,000	79,978,000	79,978	4.4%
2019	993	79,418,154	79,978	3.0%
2020	1,076	35,414,388	32,913	7.2%

N/A= Not Available

a Annual Estimates of the Resident Population for Municipalities in New Jersey

b Population times per capita income

c Bureau of Economic Analysis March 2017

d New Jersey Department of Labor and Workforce Development

Tinton Falls School District
Principal Employers,

Exhibit J-15b

Unaudited

SHREWSBURY TOWNSHIP

Employer	2020		2009		Percentage of Total Municipal Employment
	Employees	Rank [Optional]	Employees	Rank [Optional]	
	-		-		0.00%
					0.00%

N/A

N/A= NOT AVAILABLE

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

<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	99	100	92	95.35	93.62	91	94	90	88	83
Special education	31	31	31	33.13	35	58	57	67	64	53.76
Other special education	36	35	35	37.5		31	32	32	25	44
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	4	4.5	7	3	3	10	13	13	13	12
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	23	24.5	20.5	20.54	53	13	11	12	12	10.13
General administrative services	3	3	3	4	4	7	7	7	8	8
School administrative services	14	14	13	15	15	12	12	12	12	12
Business administrative services	5	5	5	5	4.3	7	7	7	7	7
Plant operations and maintenance	5	5	-	-	-	-	-	-	-	-
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
Total	220	222	207	214	208	229	233	240	229	230

Source: District Personnel Records

BOROUGH OF TINTON FALLS SCHOOL DISTRICT

Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Elementary School	Middle School	Average Daily Enrollment (c)	Average Daily Attendance (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2012	1,565	\$ 23,965,719	\$ 15,314	-3.01%	149	98	51	1,554.10	1,487.30	0.98%	95.70%
2013	1,531	25,340,467	16,552	8.08%	154	98	56	1,521.40	1,449.60	0.98%	95.28%
2014	1,542	25,226,565	16,360	-1.16%	143	93	50	1,519.54	1,448.64	1.00%	95.33%
2015	1,524	27,717,806	18,188	11.17%	133	82	51	1,495.85	1,431.05	0.98%	95.67%
2016	1,529	27,398,778	17,919	-1.47%	160	104	56	1,503.20	1,437.42	1.00%	95.62%
2017	1,559	28,671,595	18,391	2.63%	154	109	51	1,535.12	1,467.81	1.02%	95.62%
2018	1,522	31,084,017	20,423	11.05%	167	112	55	1,520.13	1,445.85	0.99%	95.11%
2019	1,422	31,875,282	22,416	9.76%	164	110	54	1,433.35	1,361.97	0.94%	95.02%
2020	1,414	31,967,345	22,608	0.86%	175	121	54	1,418.41	1,373.55	0.99%	96.84%
2021	1,338	33,432,116	24,987	10.52%	162	110	52	1,337.65	1,277.13	0.94%	95.48%

Source:

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

BOROUGH OF TINTON FALLS SCHOOL DISTRICT

School Building Information
Last Ten Fiscal Years
Unaudited

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
District Building										
Elementary										
Mahala F. Atchinson(Year)										
Square Feet	86,950	86,950	86,950	86,950	86,950	87,249	87,249	87,249	87,249	87,249
Capacity (students)										
Enrollment										
Swimming River (Year)										
Square Feet	67,692	67,692	67,692	67,692	67,692	68,636	68,636	68,636	68,636	68,636
Capacity (students)										
Enrollment										
Middle School										
Tinton Falls Middle School (Year)										
Square Feet	102,255	102,255	102,255	102,255	102,255	105,094	105,094	105,094	105,094	105,094
Capacity (students)										
Enrollment										
Other										
Central Administration (Year)										
Square Feet	2,000	2,000	2,000	2,000	2,000	8,000	8,000	8,000	8,000	8,000
Number of Schools at June 30, 2021										
Elementary										
Middle School										
Other										

BOROUGH OF TINTON FALLS SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities
Unaudited

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

School Facilities	Project #'s	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Mahala F. Atchinson	N/A	\$ 223,352	\$ 127,022	\$ 147,121	\$ 139,189	\$ 122,065	\$ 148,783	\$ 172,020	\$ 124,865	\$ 114,631	\$ 132,929
Swimming River School	N/A	217,432	141,616	144,202	134,961	149,597	115,899	110,480	99,147	100,017	93,569
Tinton Falls Middle School	N/A	228,257	152,887	168,578	144,460	216,307	126,027	127,215	127,723	134,828	108,725
Administration Building	N/A	39,820	30,830	29,056	31,222	25,639	35,303	15,566	9,939	9,097	10,052
Total School Facilities		\$ 708,861	\$ 452,355	\$ 488,957	\$ 449,832	\$ 513,608	\$ 426,012	\$ 425,281	\$ 361,674	\$ 358,573	\$ 345,275

BOROUGH OF TINTON FALLS SCHOOL DISTRICT

Insurance Schedule
June 30, 2021
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy -		
Property - Blanket Building & Contents	52,307,341	1,000
Comprehensive General Liability	\$2M OCC./\$2M AGG.	
Comprehensive Automobile Liability	1,000,000	500
Automobile Physical Damage	1,000,000	1,000
Comprehensive Crime Coverage:		
Employee Dishonest, Forgery and Alteration	100,000	500
Theft, Disappearance, Destruction	25,000	500
Computers and Schedule Equipment -		
Data Processing-Hardware	1,575,000	500
Data Processing-Media/Data	100,000	500
Computer Fraud	100,000	500
Cyber Suite Liability	1,000,000	10,000
Boiler and Machinery - Property Damage	Incl. In Property	1,000
Umbrella Liability - Umbrella Policy	10,000,000	10,000
School Board Legal Liability	Cov. A \$1M/3M Cov. B \$50K/\$150K	Each loss 7,500
Business Income & Extra expense	250,000	0
Public Employee Faithful Performance	250,000	0
Business Administrator Bond	250,000	0
Student Accident	1,000,000	0
Workers Compensation	3,000,000	
Employers Liability	2,000,000	
Supplemental Workers Compensation	52 Week Limit	7 Day
Employee Benefit Liability	\$1M OCC./\$3M AGG.	1,000

Source: District Records.

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

Steven D. Wielkocz, CPA, RMA, PSA
Matthew B. Wielkocz, CPA, PSA
Paul J. Cuva, CPA, RMA, PSA
James J. Cerullo, CPA, RMA, PSA
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable President and
Members of the Board of Education
Borough of Tinton Falls School District
County of Monmouth, New Jersey
Tinton Falls, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Tinton Falls School District, in the County of Monmouth, New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 20, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the Borough of Tinton Falls Board of Education's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Tinton Falls Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Tinton Falls 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 Borough of Tinton Falls 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or 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 entity'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.

Paul J. Cuvá

Paul J. Cuvá, C.P.A.
Licensed Public School Accountant
No. CS00076600

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 20, 2022





WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08

The Honorable President and
Members of the Board of Education
Borough of Tinton Falls School District
County of Monmouth, New Jersey
Tinton Falls, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Borough of Tinton Falls School District in the County of Monmouth, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Tinton Falls Board of Education's major federal and state programs for the year ended June 30, 2021. The Borough of Tinton Falls 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 the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough of Tinton Falls 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and N.J. OMB Circular 15-08. Those standards, the Uniform Guidance and N.J. OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Tinton Falls 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. However, our audit does not provide a legal determination of the Borough of Tinton Falls Board of Education's compliance.

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of the Borough of Tinton Falls 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 the Borough of Tinton Falls Board of Education's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Borough of Tinton Falls 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 and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by

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

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

Paul J. Cuva

Paul J. Cuva, C.P.A.
Licensed Public School Accountant
No. CS00076600

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 20, 2022

BOROUGH OF TINTON FALLS SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal EANS Number	Grant or State Project Number	Program or Project Amount	Grant Period From To	Balance at June 30, 2020	Due Grantor	Cash Received	Budgetary Expenditures	Employment of "Pass- Through" Business	Adjustments	Balance at June 30, 2021		MEMO Change in Expenditures	
												(Accounts Receivable)	Deferred Revenue		
U.S. Department of Education															
General Fund:															
Impact Aid	84.041	N/A	N/A	\$ 38,077	7/1/20	6/30/21	\$ -	\$ 38,077	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,077
Medical Assistance Program (SEMI)	93.778	2005N45MAP	N/A					38,077	(38,077)						38,077
U.S. Department of Homeland Security															
General Fund:															
Federal Emergency Management Agency	97.056		N/A	55,576	3/13/20	4/26/21			(55,576)						55,576
									(55,576)						55,576
Total General Fund				38,077				38,077	(93,653)						93,653
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund:															
Title I	84.010	S010A200030	NCLBS18520	122,364	7/1/20	9/30/21		67,579	(122,262)						122,008
Title I	84.010	S010A300030	NCLBS18519	117,390	7/1/19	9/30/20	(43,513)	45,513							117,255
Title II, Part A	84.367A	S097A200029	NCLBS18520	29,594	7/1/20	9/30/21		17,091	(26,419)						26,419
Title III	84.465	S097A300030	NCLBS18520	16,000	7/1/20	9/30/21		7,390	(8,343)						8,343
Title IV, Part A	84.424	S023A300081	NCLBS18520	16,888	7/1/19	9/30/20	(1,950)	1,950							7,068
		S023A400081	NCLBS18519												
Sub-total				524,303			(62,302)	137,523	(157,024)						281,173
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund:															
L.D.E.A. Part B, Basic Regular	84.027	H027A200100	DDEA518520	524,303	7/1/20	9/30/21		421,080	(524,626)						524,303
L.D.E.A. Part B, Basic Regular	84.027	H027A190100	DDEA518520	597,303	7/1/19	9/30/20	(62,302)	62,302							485,806
L.D.E.A. Part B, Preschool	84.173	H173A200114	DDEA518519	15,798	7/1/20	9/30/21		1,771	(11,758)						11,758
Sub-total				1,137,404			(62,302)	484,153	(636,384)						991,867
CARES Emergency Relief Grant	84.050D			13,239	7/1/20	10/31/20		75,611	(101,915)						13,239
CARES State Public Tech Digital Divide	84.050D			13,239	7/1/20	10/31/20		13,239	(13,239)						
Coronavirus Relief Fund	21.019			66,326	7/1/20	6/30/21		66,326	(66,326)						66,326
Sub-total				132,804				155,176	(181,480)						79,865
Total Special Revenue Fund				778,882			(107,765)	778,882	(874,888)						1,352,305
U.S. Department of Agriculture															
Passed-through State Department of Education															
Child Nutrition Cluster:															
Non-Cash Assistance															
Food Distribution Program	10.555	21IN304N1099	N/A	29,911	7/1/20	6/30/21			(29,911)						29,911
Cash Assistance:															
National School Lunch Program	10.555	21IN304N1099	N/A	334,943	7/1/20	6/30/21		306,922	(334,943)						334,943
National School Lunch Program	10.555	20IN304N1099	N/A	91,354	7/1/19	6/30/20	(2,690)	2,690							91,354
School Breakfast Program	10.553	21IN304N1099	N/A	99,654	7/1/20	6/30/21		96,250	(99,654)						99,654
School Breakfast Program	10.553	20IN304N1099	N/A	21,807	7/1/19	6/30/20	(4,411)	4,411							21,807
Total Enterprise Fund				457,184			(4,101)	457,184	(464,908)						577,869
Total Federal Financial Awards				1,251,113			(111,866)	1,251,113	(1,433,649)						2,023,327

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

BOROUGH OF TINTON FALLS SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ended June 30, 2021

State Grant/Program Title	Grant or Subgrant Number	Program or Amount	Grant Period		Balance at June 30, 2020			Balance at June 30, 2021			MEMO			
			From	To	Deferred (Accts. Receivable)	Due to Grantor	Cash Received	Repayment of Balances	Admitted/Cancelled	(Accts. Receivable)	Deferred Revenue/Payable	Due to Grantor	Budgetary Receivable	Cumulative Expenditures
State Department of Education														
Transportation Aid	21-495-034-5120-014	\$ 982,013	7/1/2020	6/30/2021	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Special Education Categorical Aid	21-495-034-5120-089	986,472	7/1/2020	6/30/2021										982,013
Security Aid	21-495-034-5120-084	196,966	7/1/2020	6/30/2021										98,640
Extracurricular Aid	21-495-034-5120-084	1,000,000	7/1/2020	6/30/2021										196,966
Extraordinary Aid	20-100-034-5120-044	951,136	7/1/2020	6/30/2021										19,700
Non-Public Transportation	20-100-034-5120-044	655,636	7/1/2019	6/30/2020										951,136
Non-Public Transportation	21-495-034-5120-014	22,243	7/1/2020	6/30/2021										655,636
Hot District Support Aid	21-495-034-5120-102	38,094	7/1/2020	6/30/2021										22,243
Hot District Support Aid	21-495-034-5120-102	51,143	7/1/2019	6/30/2020										38,094
On-Behalf TPAF Pension and Annuity Fund - Non-contributory Insurance	21-495-034-5094-004	59,106	7/1/2020	6/30/2021										51,143
On-Behalf TPAF Pension and Annuity Fund - Post Retirement Medical and L.T. Disability	21-495-034-5094-004	3,106,559	7/1/2020	6/30/2021										59,106
On-Behalf TPAF Social Security Contrib.	21-495-034-5094-003	874,935	7/1/2020	6/30/2021										3,106,559
Reimbursed TPAF Social Security Contrib.	20-495-034-5094-003	863,491	7/1/2019	6/30/2020										874,935
Total General Fund					(760,543)	-	8,730,708	(9,230,490)	-	(945,902)	-	314,533	10,812,224	863,491
Special Revenue Fund:														
N.J. Nonpublic Aid:														
Technology Aid	21-100-034-5120-064	19,446	7/1/2020	6/30/2021			18,510	(18,458)			52		18,510	18,510
Technology Aid	20-100-034-5120-064	15,497	7/1/2019	6/30/2020		67		(67)					15,430	15,430
Security Aid	20-100-034-5120-373	106,925	7/1/2020	6/30/2021		161	106,925	(106,307)			618		106,925	106,925
Handicapped Services:														
Supplemental Instruction	21-100-034-5120-066	24,124	7/1/2020	6/30/2021			24,124	(24,124)					24,124	24,124
Supplemental Instruction	20-100-034-5120-066	19,833	7/1/2019	6/30/2020		(2,529)		(2,529)					19,833	19,833
Examination & Classification	20-100-034-5120-066	35,114	7/1/2019	6/30/2020		(3,809)	3,809	(3,809)					35,114	35,114
Corrective Speech	21-100-034-5120-066	21,874	7/1/2020	6/30/2021		3,665	21,874	(16,734)					21,874	21,874
Corrective Speech	20-100-034-5120-066	19,139	7/1/2019	6/30/2020		(1,683)	1,683	(1,714)					19,139	19,139
Compensatory Education	21-100-034-5120-067	22,208	7/1/2020	6/30/2021			22,208	(22,208)					22,208	22,208
Compensatory Education	20-100-034-5120-067	20,279	7/1/2019	6/30/2020		(2,145)	2,145	(2,145)					20,279	20,279
E.S.L.	21-100-034-5120-067	2,664	7/1/2020	6/30/2021			2,664	(1,829)					2,664	2,664
Nursing Services	20-100-034-5120-070	31,212	7/1/2020	6/30/2021		(183)	31,212	(5,293)					31,212	31,212
Nursing Services	20-100-034-5120-070	28,615	7/1/2019	6/30/2020		9,769		(9,769)					28,615	28,615
Character Education Aid	06-495-034-5120-053	4,449	7/1/2006	6/30/2007									4,449	4,449
Character Education Aid	05-495-034-5120-053	4,855	7/1/2005	6/30/2006									4,855	4,855
Teacher Quality Mentoring	04-495-034-5120-053	4,855	7/1/2004	6/30/2005									4,855	4,855
Governor's Teachers Excellence Award		1,892	7/1/2007	6/30/2008		2,015		2,015					1,892	1,892
Total Special Revenue Fund					289	17,363	370,942	(223,142)	(17,363)				483,081	483,081
Debt Service Aid:														
Debt Service Aid	20-495-034-5120-075	686,805	7/1/2019	6/30/2020			686,805	(686,805)					686,805	686,805
State Department of Agriculture														
Enterprise Fund:														
State School Lunch Program	21-100-030-5350-023	15,248	7/1/2020	6/30/2021			15,248	(15,248)					15,248	15,248
State School Lunch Program	20-100-030-5350-023	4,649	7/1/2019	6/30/2020		(1,230)	4,649	(4,649)					4,649	4,649
Total Enterprise Fund							13,978	(13,248)					19,897	19,897
New Jersey Development Economic Authority														
Capital Project Fund:														
School Facilities Project	5185-050-15-1000	80,000	7/1/2014	6/30/2015			22,738	(22,738)					56,846	56,846
School Facilities Project	5185-050-15-1000	76,000	7/1/2014	6/30/2015			20,214	(20,214)					50,536	50,536
School Facilities Project	5185-050-15-1000	80,000	7/1/2014	6/30/2015			70,690	(70,690)					17,637	17,637
Total State Financial Assistance							9,773,127	(80,158,685)	(17,363)			314,533	121,785,744	121,785,744
Local On-Behalf TPAF Pension and Annuity Aid														
On-Behalf TPAF Pension and Annuity Fund - Non-contributory Insurance							59,106	(59,106)						
On-Behalf TPAF Pension and Annuity Fund - Post Retirement Medical and L.T. Disability							994,432	(994,432)						
On-Behalf TPAF Social Security Contrib.							3,106,559	(3,106,559)						
Total Local On-Behalf TPAF Pension and Annuity Aid							4,160,097	(4,160,097)						
Total for State Financial Assistance Determination							17,363	(17,363)				314,533	121,785,744	121,785,744

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal and state award activity of the Board of Education, Borough of Tinton Falls 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 and state awards passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented 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 Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

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 last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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 last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-42-2.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS: (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$16,118 for the general fund, \$-0- for the special revenue fund, and \$-0- for the capital projects fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$93,653	\$9,246,608	\$9,340,261
Special Revenue Fund	874,887	223,142	1,098,029
Debt Service Fund		686,805	686,805
Food Service Fund	<u>464,508</u>	<u>15,248</u>	<u>479,756</u>
<u>Total Financial Awards</u>	<u>\$1,433,048</u>	<u>\$10,171,803</u>	<u>\$11,604,851</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the 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 6. INDIRECT COST RATE

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

NOTE 7. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$122,263
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	26,419
Title IV: <i>Student Support and Academic Enrichment (ESSA)</i>	<u>8,342</u>
<u>Total</u>	<u>\$ 157,024</u>

**BOROUGH OF TINTON FALLS 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. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

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

Federal Awards

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of the Uniform Guidance? _____ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027/84.173</u>	<u>H027A180100/ H173A180114</u>	<u>I.D.E.A. Cluster: I.D.E.A. Part B Basic/Preschool</u>

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

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

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

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

State Awards

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

2. Material weakness(es) identified? yes X no

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
20-495-034-5120-089	(A) Special Education Categorial Aid
20-495-034-5120-084	(A) Security Aid
20-495-034-5120-085	(A) Adjustment Aid

Note: (A) - Tested as major program.

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

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Section II - Financial Statement Findings

None

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

None

**BOROUGH OF TINTON FALLS SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Status of Prior Year Findings

All prior year findings have been corrected.