

SCHOOL DISTRICT
OF
CITY OF MARGATE

Margate City Board of Education
Margate, New Jersey

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

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Introductory Section

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Margate City School District

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March 10, 2023

Citizens, Honorable President and
Members of the Board of Education
City of Margate School District
Atlantic County, New Jersey

Dear Board Members:

The annual comprehensive financial report of the City of Margate School District (District) for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (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 various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis, basic financial statements and schedules, as well as the auditor's report thereon. The statistical tables include selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance and NJ OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The City of Margate School District is a component unit of the City of Margate within the criteria set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the District are included in this report. The City of Margate Board of Education and all its schools constitute the District's reporting entity. The School District is a Type I District and, as such, meets the criteria to be considered a component unit of the City of Margate. However, the City reports on a regulatory basis of accounting which does not recognize component units.

The District provides a full range of educational services appropriate to grade levels PreK through 8. These include regular as well as special education for handicapped youngsters. The District completed the 2021-2022 fiscal year with an enrollment of 356 students, which is 27 students lower than the previous year's ending enrollment. The following details the changes in the average daily enrollment of the District over the last five years.

Fiscal	Average Daily	Percent
<u>Year</u>	<u>Enrollment</u>	<u>Change</u>
2021-2022	359	(4.27%)
2020-2021	375	3.88%
2019-2020	361	1.12%
2018-2019	357	(2.99%)
2017-2018	368	.003%

2) ECONOMIC CONDITION AND OUTLOOK: The Cities of Margate and Longport are New Jersey seashore communities whose children, in grades PreK through eight, constitute the student population of the City of Margate School District. The City of Margate is located approximately two miles south of Atlantic City, and approximately 50 miles east of Philadelphia. The City of Margate, which measures approximately a mile and three-quarters in length by three quarters of a mile in width, is located on Absecon Island and has a year-round population of about 6,400 middle to upper middle-class residents. More specifically, the City of Margate is bounded on the northeast by Ventnor City, on the southwest by the Borough of Longport, on the southeast by the Atlantic Ocean, and on the northwest by the centerline of the main channel in Beach Thorofare. The major employer in this area is the casino industry.

The City of Margate is governed by a three-person Board of Commissioners, elected at large every four years. They govern a city that is almost entirely residential, whose year-round population of 6,400 swells to approximately 45,000 during the summer months. The year-round residents have established six houses of worship that rather accurately reflect the ethnic/religious composition of the community. Of the six houses of worship, three are Jewish, two are Protestant, and one is Catholic.

The Public School System of City of Margate is composed of PreK-8 grade children, who reside in the City of Margate and the Borough of Longport. As of October 14, 2022 there were a total of 339 pupils enrolled in the school district. Upon completion of eighth grade, the students attend nearby Atlantic City High School, which currently enrolls approximately 36 Margate pupils in grades 9 through 12. This is a sending-receiving relationship between the school districts in which Margate is responsible for paying student tuition and providing student transportation. As of October 14, 2022, Margate pupils were enrolled in other public schools as follows: 3 students at the CharterTech High School, 7 students at the Atlantic County Institute of Technology (ACIT), 10 students at Mainland Regional High School, and 61 students at the Ocean City High School. There are approximately 36 Margate students attending various non-public schools grades K-12.

The overall responsibility for the education of the PreK-8 children lies with the district's board of education composed of seven members, appointed by the Mayor for a term of three years. The district's budget is approved annually by a Board of School Estimates which works closely with both City and school officials. For the 2021-2022 school year, the District will operate on a budget of \$13,682,903 for current expenses.

The basic responsibility for the operation of the schools lies with the Superintendent of Schools. She is assisted by two directors/building principals, a school business administrator, and a staff of 82 full time and 6 part time personnel during the 2021-2022 school year.

During the 2021-2022 school year City of Margate District pupils were housed in two separate facilities: the Eugene A. Tighe Middle School constructed in 1956, and the William H. Ross III Intermediate School constructed in 2000. The William H. Ross III site houses the district administrative offices and grades PreK-4 and the Eugene A. Tighe School houses grades 5-8. Each building is serviced by special area teachers for performing arts, health, art, physical education, computer/technology, and a media center. In addition, a Child Study Team is available for children with special needs. The team consists of a school psychologist, a social worker, and two part time speech therapists. Learning Disabilities services are also provided by the Atlantic County Special Services School District and Cape May County Special Services School District. Longport, the only sending district for the City of Margate School, is the smallest municipality in Atlantic County, about four-tenths of a square mile. Longport is bounded on the northeast by City of Margate, on the southwest by Great Egg Inlet/Ocean City, on the southeast by the Atlantic Ocean, on the northwest by Riskey's Channel and the Inlet.

1. The City of Margate Board of Education provides its student population with an extensive range of educational services that include but are not limited to the following:
2. Preschool program for disabled 3 and 4 year old students.
3. Full day kindergarten program for all children.
4. World language instruction for all children.
5. Computer assisted instruction and assessments for all children.
6. Title 1 services for mathematics and reading in grades K-8.
7. Social services for grades K-8 that include the LEAD program, counseling, as well as an after-school care program for grades K-4.
8. Computer assisted research services in the Media Centers.
9. Differentiated instruction that is part of the curriculum for all students.
10. A full range of Child Study Team services.
11. Visual and performing arts program for all students
12. STEM education for students K-8.

The Margate Board of Education, administration, faculty, and support staff are dedicated to provide each child with a challenging and rewarding educational program that will meet each individual's needs.

3) MAJOR INITIATIVES: Major Initiatives for the 2022-2023 school year include the continuation of important district efforts in several areas including curriculum and assessment, staff development, and technology, as well as facility upgrades and school security.

Curriculum and Assessment:

The use of LinkIt Benchmarking Assessment Solutions will continue to be utilized in grades 2 through 8. These assessments provide valuable, actionable data useful as a predictor of student success on state assessments in literacy and mathematics. Teachers will use the data to inform instruction to address student strengths and weaknesses in particular standards. Coupled with LinkIt, the teachers will employ the online learning platform IXL to assign topics to individual students based on need in order to further develop their skills. IXL is aligned to the NJSLs as well as the core instructional programs currently used (Journeys ELA, HMH Collections ELA for English language arts - our math program will be updated and new materials will be adopted prior to fall 2023).

Continued curricular initiatives include:

- In-class support and co-teaching to provide differentiated learning opportunities for all students to ensure academic rigor while meeting the needs of all students.
- The implementation of the Wilson Language System provides 1:1 multisensory intervention for struggling readers in all grades, while the Wilson Foundations program offers systematic and explicit instruction in reading, spelling, and handwriting for our youngest learners in kindergarten and 1st grade.
- The district's science program will continue to embrace the elements of STEM (Science, Technology, Engineering & Mathematics) providing students the opportunity to participate in inquiry-based, exploratory learning using the experimental design process to solve problems. In both schools, our computer education program has been expanded to include weekly lessons for all students in grades 1-8 to increase the children's technology proficiency.
- The curricular development 5-year cycle for evaluating and revising curriculum ensures best practices for learning experiences aligned to state standards, as well as integrating 21st century skills, technology, and social-emotional learning throughout the disciplines. Curriculum development projects for 2022-2023 include:
 - Implementation of revised curricula for Social Studies, Health and Physical Education, and Computer Science aligned to the newly adopted 2020 NJSLs
 - Curriculum review and revision for Mathematics

Staff Development

Professional development for teachers will continue to be provided through in-district and out-of-district workshops, professional learning communities (PLCs), and graduate level coursework or training. Professional development opportunities provide teachers the time and resources to hone their skills to meet the challenges of education, especially in the post-pandemic world.

Examples of professional development or training opportunities include (but are not limited to):

- LinkIt Benchmarking Assessment Solutions
- Web-based software including IXL, Study Island, and Reading A-Z
- Curriculum development and collaboration with other subject specialists
- School Climate and Social-Emotional Learning
- Anti-Bullying Prevention
- Health and Safety training such as CPR, fire, and security procedures

Technology

Technology integration will remain strong across all disciplines through wireless internet access, multiple computer labs, interactive displays, and classroom sets of chromeOS devices. Any legacy equipment or services continue to be rotated out for newer and better fitting solutions.

Both the computer and media literacy curricula are being expanded and continuously updated to ensure that our students are on track to be college and career ready in the 21st century.

Training continues to be offered on a wide range of topics.

Our Internet bandwidth has been upgraded significantly during the 2022-2023 school year by approximately 5x to help facilitate the number of devices in use and the growing consumptive need of online content.

During the 2022-2023 school year we have upgraded our fiber backbone from 1gb between the main wiring closets to 10gb (10x bandwidth increase) and will be going live Q1 2023 on this new backbone infrastructure.

During Summer 2023 there are plans for server upgrades and a large district-wide WiFi upgrade to ensure continued reliability, security, speed, and capability for both of these projects. These upgrades will work in tandem with the 1gb to 10gb fiber backbone upgrade.

We continue to expand our infrastructure monitoring capability through additional monitoring sensors, increased communication channel usage, and continue to leverage big data analytics tools to ensure continued reliability and security.

Our cyber security continues to be monitored and actions taken as needed to continue to protect our systems as well as offering ongoing training through our training platform. We're looking in some additional components and toolsets for Summer 2023 to further assist with this.

Our channel based communications platform continues to grow in capability and continues to streamline communication.

We've designed and built some additional life safety systems in the district complete with notifications and monitoring that will help keep staff and students safe (can be discussed in private as to not publicly disclose life safety systems and how/where they function). These new systems have been in place since the start of the school year and have been working as intended (tested and monitored).

Additional cameras and other life safety components are currently being evaluated and are looking for a Summer 2023 deployment.

As of Summer 2023 (per the submitted 23-24 Budget) all classrooms should be finished with their migration from SmartBoards to newer interactive flatscreens.

Facilities

Facility Upgrades will include the replacement of air handlers from multi-zone to single-zone at William H Ross Elementary School, projected for the summer of 2024. The third floor HVAC condensing units will be replaced. The Ross roof will be refurbished and have a recoat applied that will extend the roof life with a 25 year warranty.

The Tighe PAC will be upgraded with new: flooring, seating (in kind replacement) and new permanent fire rated curtains, early 2023. The Cafeteria will have basketball and pickleball lines painted on the floor. Addition of CO2 sensors for demand ventilation of selected HVAC units. UVC installation of selected units. Upgrading of selected exhaust fans. Fencing repair and replacement of selected areas.

Eugene A. Tighe and William H. Ross Schools will continue with flooring replacements, as well as window repairs and resealing. Upgrading to high traffic exit doors from motion activated to manual push buttons are anticipated to be made at both schools, along with continual assessment/upgrades to our building infrastructure and integration to our various automation systems, including but not limited to: building automation, card access, phone system to lockdown.

School Security

The administration attends security training throughout the year to ensure we implement the best procedures to maintain the safety of our students and staff. The district is also developing their Threat Assessment Team to complement our School Safety Committee to best address student concerns. The school district will continue to work closely with Margate PD regarding shared access to our cameras and lockdown system components.

4) 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 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.

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance on June 30, 2022.

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

7) DEBT ADMINISTRATION: At June 30, 2022, the District had no outstanding debt issues. As a Type I School District, all school debt is borne by the City rather than the School District.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan that indicates the GUDPA approved depository banks, any brokers/dealers, and the approved investment instruments selected by the Board of Education. GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. School Districts are permitted to invest public funds in bonds or other obligations of the United States, bonds or other obligations of the local unit, government money market mutual funds, New Jersey State Cash Management Fund, and repurchase agreements.

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

10) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford Scott & Associates, LLC, CPAs 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 Uniform Guidance and NJ OMB 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) ACKNOWLEDGMENTS:

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

Respectfully submitted,

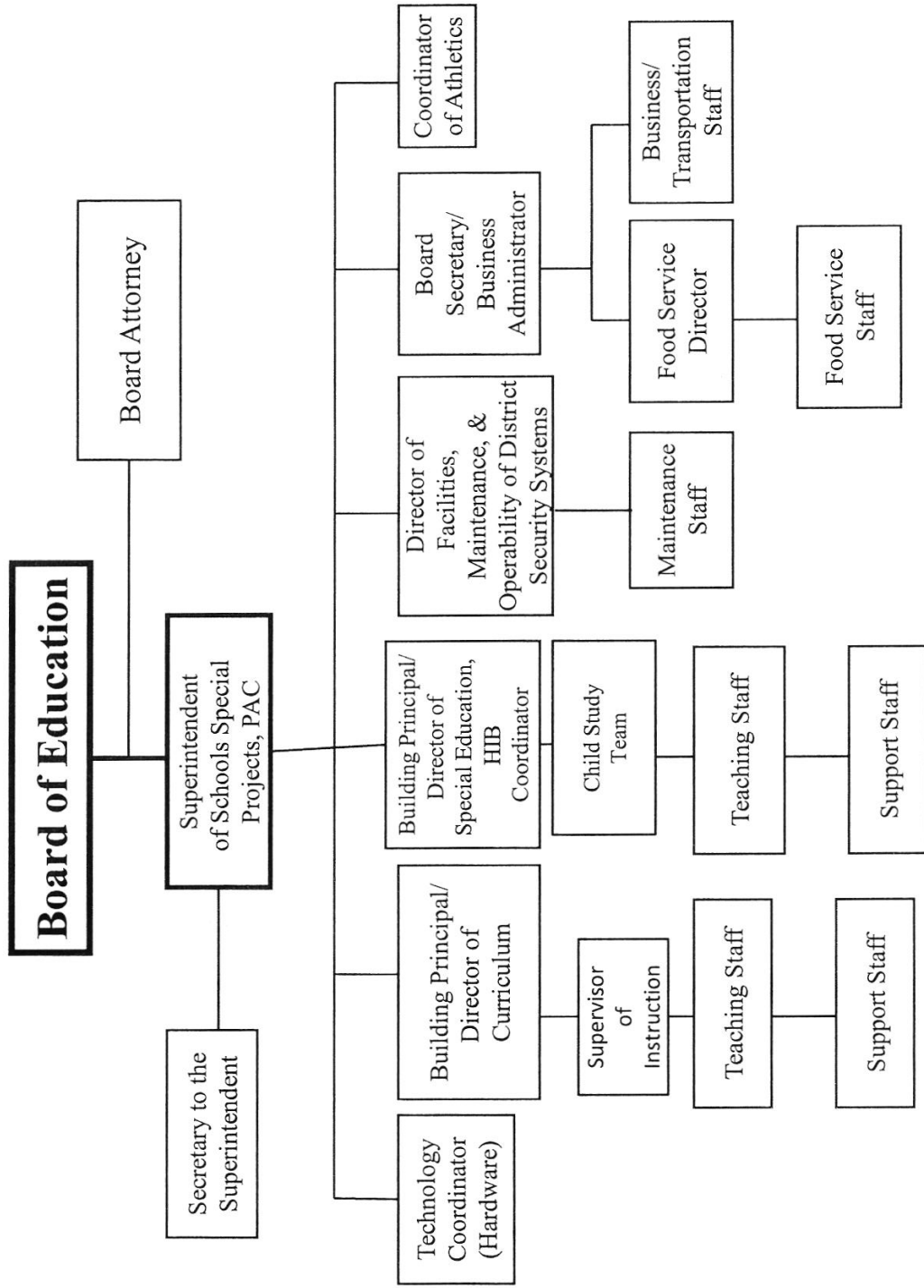
Audrey Becker

Mrs. Audrey Becker
Superintendent

Melina Skwarek

Melina Skwarek
Board Secretary/Business Administrator

City of Margate Board of Education Organization Chart



CITY OF MARGATE BOARD OF EDUCATION

MARGATE, NEW JERSEY

ROSTER OF OFFICIALS

June 30, 2022

	<u>Term Expires</u>
<u>Members of the Board of Education</u>	
Catherine Horn, President	2023
Joel Frankel	2025
Jim Swift, Esq.	2024
Jack Sorensen	2025
Amy Brog	2024
Joseph Pepe	2024
Shannon Wray-Norris	2023
Clete Schweggman; representing Borough of Longport Board of Education	
<u>Other Officials</u>	
Audrey Becker, Superintendent	
Melina Skwarek, Board Secretary/School Business Administrator	
Eric Goldstein, Esq., Solicitor	

**CITY OF MARGATE BOARD OF EDUCATION
Consultants and Advisors**

Audit Firm

Ford Scott & Associates, LLC, CPAs
1535 Haven Avenue
Ocean City, NJ 08226

Attorney

Eric Goldstein, Esq.
Nehmad, Davis & Goldstein
4030 Ocean Heights Avenue
Egg Harbor Township, NJ 08234

Architect of Record

Scott Downie
Spiezle Architectural Group
1395 Yardville Hamilton Square Road, Suite 2A
Hamilton, NJ 08691

Official Depository

Ocean First Bank
1777 New Road
Linwood, New Jersey 08221

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Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Honorable President and
Members of the Board of Education
City of Margate School District
County of Atlantic, New Jersey

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Margate School District, in the County of Atlantic, New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Margate School District, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the City of Margate School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Margate School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control – related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information 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 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Margate School District's basic financial statements. The combining and individual non-major 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 state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2023 on our consideration of the City of Margate School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Margate School District's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla

Nancy Sbrolla
Certified Public Accountant
Licensed Public School Accountant
No. 2426

March 10, 2023

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Required Supplemental Information
Part I

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Margate City School District's ("District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statement.

FINANCIAL HIGHLIGHTS

- The net position of the District increased \$5,528,843.06 as a result of a increase in bond proceeds for the district's capital projects.
- The State of New Jersey reimbursed the District \$401,701.37 during the fiscal year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. Also, the State of New Jersey paid \$2,329,269.00 on behalf of the District for TPAF Pension. These amounts, which are not budgeted, are included as both a revenue and appropriation in the financial statements.
- As required by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to 4% of the total general fund expenditures. Any excess is required to be designated as Reserved Fund Balance – Excess Surplus and included in the next year's budget as budgeted fund balance. As of June 30, 2022 the District had \$3,268,576.10 in excess surplus, of which \$1,426,944.75 has been appropriated and included as anticipated revenue in the 2023 fiscal year budget. This is compared to the prior year excess surplus of \$3,421,323.47, of which \$1,994,378.72 was budgeted in the 2022 fiscal year.
- During the fiscal year ended June 30, 2022, the District's revenues were \$256,368.44 lower than total expenditures. This can be attributed to the district seeing increase in health care costs as well as sick time payouts. During the prior fiscal year, revenue was higher than total expenditures by \$553,056.03.
- In the District's business-type activities, net position increased \$24,490.73 during the 2022 fiscal year compared to a \$15,738.41 decrease in fiscal year 2021. The increase is attributed to a increase in revenues during the 2022 fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the basic *financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, capital projects, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District's government, reporting on the District's operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short- and long-term* financial information about the activities the District operates like businesses, such as the food service and community service programs.
 - *Fiduciary fund* statements provide information about the financial relationships – like the unemployment trust fund – in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The following table shows how the required parts of this annual report are arranged and relate to one another.

The following table also summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Major Features of Margate City School District's
Government-wide and Fund Financial Statements**

	Government wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as food service and student activities	Activities the District operates similar to private businesses; food service, Performing Arts and Latchkey	Instances in which the District is the trustee or agent for someone else's resources, such as payroll agency and student activities.
Required financial statements	Statement of net position	Balance sheet Statement of revenues, expenditures, and changes in net position	Statement of net position Statement of revenues, expenses, and changes in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short- term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.	All assets and liabilities, both financial and capital, and short- term and long- term.	All assets and liabilities, both short-term and long-term.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the

government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets and liabilities – is one way to measure the District's financial health, or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of the District's facilities.

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* – most of the District's basic services are included here, such as instruction, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* – the District charges fees to customers to help it cover the costs of certain services it provides. The District's food service, performing arts, and latchkey are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for its employees' unemployment compensation plan. It is also responsible for other assets that - because of a trust arrangement – can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's governmental activities net position increased between fiscal years 2022 and 2021 as a result of an increase in revenues. The business-type activities net position increased due to a increase in the food services revenue.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 10,426,500.17	4,913,127.75	82,888.15	59,913.12	10,509,388.32	4,973,040.87
Capital assets	13,114,150.99	13,821,318.40	4,091.41	8,425.71	13,118,242.40	13,829,744.11
Total assets	23,540,651.16	18,734,446.15	86,979.56	68,338.83	23,627,630.72	18,802,784.98
Long-term liabilities	2,560,673.22	3,371,836.70	450.00	4,400.00	2,561,123.22	3,376,236.70
Other liabilities	1,437,956.54	1,349,431.12	3,200.00	5,400.00	1,441,156.54	1,354,831.12
Total liabilities	3,998,629.76	4,721,267.82	3,650.00	9,800.00	4,002,279.76	4,731,067.82
Net position						
Invested in Capital	13,114,150.99	13,821,318.40	4,091.41	8,425.71	13,118,242.40	13,829,744.11
Restricted	9,601,065.47	3,870,571.39	-	-	9,601,065.47	3,870,571.39
Unrestricted	(3,173,195.06)	(3,678,711.46)	79,238.15	50,413.12	(3,093,956.91)	(3,628,298.34)
Total net position	\$ 19,542,021.40	14,013,178.33	83,329.56	58,838.83	19,625,350.96	14,072,017.16

As required by New Jersey Statutes, the unrestricted net position of the District is not permitted to exceed 2% of total general fund expenditures, after reductions for On-behalf TPAF pension and social security and assets acquired under capital leases. Any excess must be appropriated as budgeted fund balance in the subsequent years' budget. As of June 30, 2022, the District did have \$3,268,576.10 in excess fund balance, of which \$1,426,944.75 has been appropriated and included as anticipated revenue in the 2023 fiscal year budget.

Changes in net position. The total revenue of the District increased \$4,471,169.79 due to an increase in bond proceeds for the district's capital projects.

Approximately 15.94% of the District's revenue comes from the State of New Jersey in the form of unrestricted state aid. The City of Margate levies property taxes on properties located in the City. This tax is remitted to the District on a monthly basis. The District expenses are primarily related to instruction, administration, and plant operations.

	2022		2021	
	2022 Amount	Percentage	2021 Amount	Percentage
Property taxes	\$ 10,498,077.00	49.99%	10,498,077.00	63.52%
Unrestricted Federal and State aid	3,346,715.37	15.94%	2,819,472.65	17.06%
Tuition	810,365.89	3.86%	845,138.00	5.11%
Miscellaneous	48,761.52	0.23%	161,715.36	0.98%
Operating grants and contributions	6,295,261.48	29.98%	2,203,608.46	13.33%
Totals	\$ 20,999,181.26	100.00%	16,528,011.47	100.00%

Governmental & Business-Type Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2022 and 2021 fiscal years.

	Governmental Activities		Business-type Activities		Totals	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program revenue						
Charges for services	\$ 810,365.89	845,138.00	98,988.60	72,656.69	909,354.49	917,794.69
Federal and state grants	6,295,261.48	2,203,608.46	90,627.08	39,367.67	6,385,888.56	2,242,976.13
General revenues						
Property taxes	10,498,077.00	10,498,077.00		-	10,498,077.00	10,498,077.00
State aid entitlements	3,346,715.37	2,819,472.65		-	3,346,715.37	2,819,472.65
Miscellaneous	48,761.52	161,715.36	62.62	113.19	48,824.14	161,828.55
Total revenues	20,999,181.26	16,528,011.47	189,678.30	112,137.55	21,188,859.56	16,640,149.02
Expenses						
Instruction:						
Regular	5,713,338.23	6,389,818.98			5,713,338.23	6,389,818.98
Special Education	2,426,039.90	2,110,751.47			2,426,039.90	2,110,751.47
Other special instruction	553,011.62	207,764.25			553,011.62	207,764.25
Other Instruction	230,454.57	187,920.01			230,454.57	187,920.01
Support services:						
Tuition	991,469.08	1,206,274.20			991,469.08	1,206,274.20
Student & instruction	2,221,026.46	2,766,394.68			2,221,026.46	2,766,394.68
School admin services	214,358.00	280,546.62			214,358.00	280,546.62
General admin services	662,899.52	696,049.35			662,899.52	696,049.35
Plant operations/maint	1,948,223.36	1,933,517.14			1,948,223.36	1,933,517.14
Pupil transportation	338,147.45	316,316.39			338,147.45	316,316.39
Admin info tech	23,238.00	22,344.00			23,238.00	22,344.00
Capital outlay	132,462.59	379,197.42			132,462.59	379,197.42
Business-type activities			180,856.99	151,467.09	180,856.99	151,467.09
Total expenses	15,454,668.78	16,496,894.51	180,856.99	151,467.09	15,635,525.77	16,648,361.60
Excess (Deficiency) before items	5,544,512.48	31,116.96	8,821.31	(39,329.54)	5,553,333.79	(8,212.58)
Special items	-	-	-	-	-	-
Transfers	(15,669.42)	(23,591.13)	15,669.42	23,591.13	-	-
Change in net position	\$ 5,528,843.06	7,525.83	24,490.73	(15,738.41)	5,553,333.79	(8,212.58)
Net position – beginning	14,013,178.34	13,883,743.84	58,838.83	74,577.24	14,072,017.17	13,958,321.08
Beg bal adjustment	-	121,908.67			-	121,908.67
Net pos. beg restated	14,013,178.34	14,005,652.51	58,838.83	74,577.24	14,072,017.17	14,080,229.75
Net position – ending	19,542,021.40	14,013,178.34	83,329.56	58,838.83	19,625,350.96	14,072,017.17

Business-type Activities

Revenues of the District's business-type activities increased when compared to the prior year due to a increase in charges for services and operating grants in the food service program.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined fund balance of \$10,094,236.41 which is \$5,702,168.77 higher than the beginning of the year. In addition to the analysis discussed at Financial Highlights and Financial Analysis of the District as a Whole, this increase is due to an increase in bond proceeds for the district's capital projects. Also, the District continues to monitor spending on an ongoing basis to ensure actual expenditures stay within the budget.

General Fund Budgetary Highlights

As further explained in the Notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office and, as a Type I School District, are approved by the Board of School Estimate. Transfers of appropriations may be made by Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the board and under certain circumstances require approval by the Executive County Superintendent of Schools. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and On-behalf TPAF Contribution, which are not budgeted, the District's actual revenue was over the budget by \$100,025.41. This is a result of receiving additional Extraordinary Aid and Nonpublic Transportation Aid as well as more miscellaneous revenue than anticipated. Again, after adjusting for the Reimbursed TPAF Social Security Contribution and On-behalf TPAF Contribution, actual expenditures were below the budgeted appropriations by \$1,883,633.88. This is the result of good controls over spending throughout the year. Audit exhibit C-1 does not include current year depreciation expense.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

During the 2022 fiscal year, the District invested in new capital assets or projects. The change is mainly due to the new construction projects offset by depreciation on the various property and equipment owned by the District.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 1,444,429.00	1,444,429.00	-	-	1,444,429.00	1,444,429.00
Construction in progress	110,913.42	-	-	-	110,913.42	-
Buildings and Improvements	11,108,382.45	11,897,228.38	-	-	11,108,382.45	11,897,228.38
Equipment	450,426.12	479,661.02	8,425.71	-	450,426.12	488,086.73
Total	\$ 13,114,150.99	13,821,318.40	-	8,425.71	13,114,150.99	13,829,744.11

More detailed information about the District's capital assets is presented in Note 4 to the financial statements.

Long-term Debt

New Jersey State Statutes governing Type I School Districts require the bonded debt be assumed by the City and provision for amortization of principal and interest on the outstanding debt is included in the City budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's business administrator at 8103 Winchester Avenue, Margate City, New Jersey 08402.

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BASIC FINANCIAL STATEMENTS

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DISTRICT - WIDE FINANCIAL STATEMENTS

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City of Margate School District
(A Component Unit of the City of Margate)
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 4,032,103.58	73,866.66	4,105,970.24
Other accounts receivable	4,143.87	-	4,143.87
Receivables from other governments	6,175,288.50	-	6,175,288.50
Interfund receivables	-	-	-
Other current assets	1,500.00	7,869.41	9,369.41
Inventory	-	1,152.08	1,152.08
Right to Use Leased Assets	47,024.22		47,024.22
Capital assets not being depreciated			
Land	1,444,429.00	-	1,444,429.00
Construction in Progress	110,913.42		110,913.42
Depreciable assets, net of accumulated depreciation	11,558,808.57	4,091.41	11,562,899.98
Total assets	<u>23,374,211.16</u>	<u>86,979.56</u>	<u>23,461,190.72</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	166,440.00	-	166,440.00
Total Deferred Outflows of Resources	<u>166,440.00</u>	<u>-</u>	<u>166,440.00</u>
LIABILITIES			
Accounts payable	98,093.10		98,093.10
Unearned revenue	20,706.44	3,200.00	23,906.44
Noncurrent liabilities:			
Due within one year	66,125.66	-	66,125.66
Due beyond one year	706,368.56	450.00	706,818.56
Net pension liability	1,788,179.00	-	1,788,179.00
Total liabilities	<u>2,679,472.76</u>	<u>3,650.00</u>	<u>2,683,122.76</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	1,319,157.00	-	1,319,157.00
Total Deferred Inflows of Resources	<u>1,319,157.00</u>	<u>-</u>	<u>1,319,157.00</u>
NET POSITION			
Net investment in capital assets	13,114,150.99	4,091.41	13,118,242.40
Restricted for:			
Capital projects	6,000,000.00	-	6,000,000.00
Other purposes	3,601,065.47	-	3,601,065.47
Unrestricted net position/(deficit)	(3,173,195.06)	79,238.15	(3,093,956.91)
Total net position	<u>\$ 19,542,021.40</u>	<u>83,329.56</u>	<u>19,625,350.96</u>

The accompanying notes are an integral part of these financial statements

**City of Margate School District
(A Component Unit of the City of Margate)
Statement of Activities
For the Year Ended June 30, 2022**

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:	\$	1,873,075.54	810,365.89	34,236.84	(4,868,735.50)		(4,868,735.50)
Regular	3,840,262.69	795,359.18		(50,234.39)	(2,476,274.29)		(2,476,274.29)
Special education	1,630,680.72	181,300.76		(11,450.85)	(564,462.47)		(564,462.47)
Other special instruction	371,710.86	75,552.82		(4,771.87)	(235,226.44)		(235,226.44)
Other instruction	154,901.75						
Support services:							
Tuition	991,469.08				(991,469.08)		(991,469.08)
Student & instruction related services	1,492,879.42	728,147.04		58,563.46	(2,162,463.00)		(2,162,463.00)
School administrative services	140,875.36	73,482.64		11,756.69	(202,601.31)		(202,601.31)
General and business administrative services	435,655.34	227,244.18		36,357.43	(626,542.09)		(626,542.09)
Administrative Information Technology	23,238.00				(23,238.00)		(23,238.00)
Plant operations and maintenance	1,221,787.09	726,436.27		116,224.56	(1,831,998.80)		(1,831,998.80)
Pupil transportation	204,748.72	133,398.73			(338,147.45)		(338,147.45)
Unallocated benefits	4,813,997.16	(4,813,997.16)					
Capital outlay	132,462.59		6,104,579.61		5,972,117.02		5,972,117.02
Total governmental activities	15,454,668.78	-	810,365.89	6,295,261.48	(8,349,041.41)	-	(8,349,041.41)
Business-type activities:							
Food Service	113,920.38		10,875.60	90,627.08		(12,417.70)	(12,417.70)
Community Service Programs	66,936.61		88,113.00			21,176.39	21,176.39
Total business-type activities	180,856.99	-	98,988.60	90,627.08		8,758.69	8,758.69
Total government	15,635,525.77	-	909,354.49	6,385,888.56	(8,349,041.41)	8,758.69	(8,340,282.72)
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net					10,498,077.00		10,498,077.00
Federal and State aid not restricted					3,346,715.37		3,346,715.37
Restricted Miscellaneous					11,594.91		11,594.91
Investment Earnings						62.62	62.62
Miscellaneous Income					37,166.61		37,166.61
Transfers					(15,669.42)	15,669.42	-
Total general revenues and transfers					13,877,884.47	15,732.04	13,893,616.51
Change in Net Position					5,528,843.06	24,490.73	5,553,333.79
Net Position - beginning balance					14,013,178.34	58,838.83	14,072,017.17
Net Position—ending balance					19,542,021.40	83,329.56	19,625,350.96
					\$		\$

The accompanying notes are an integral part of these financial statements

FUND FINANCIAL STATEMENTS

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City of Margate School District
(A Component Unit of the City of Margate)
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 4,026,169.79	5,933.79		4,032,103.58
Tax Levy Receivable	-			-
Other accounts receivable	1,888.89	2,254.98		4,143.87
Interfund accounts receivable	39,762.85			39,762.85
Receivables from other governments	116,870.19	44,613.23	6,013,805.08	6,175,288.50
Other current assets	1,500.00		-	1,500.00
Total assets	4,186,191.72	52,802.00	6,013,805.08	10,252,798.80
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	96,049.11	204.00		96,253.11
Interfund accounts payable		25,957.77	13,805.08	39,762.85
Payroll deductions and withholdings payable	1,839.99			1,839.99
Unearned revenue	-	20,706.44		20,706.44
Total liabilities	97,889.10	46,868.21	13,805.08	158,562.39
Fund Balances:				
Restricted for:				
Excess surplus	1,841,631.35			1,841,631.35
Excess surplus -- designated for Subsequent year's expenditures	1,426,944.75			1,426,944.75
Capital projects			6,000,000.00	6,000,000.00
Unemployment Compensation	132,922.51			132,922.51
Student Activities		4,223.10		4,223.10
Scholarships		1,710.69		1,710.69
Assigned to:				
Designated for subsequent year's expenditures:				
Unreserved fund balance	99,999.25			99,999.25
Encumbrances	93,633.82			93,633.82
Unreserved, reported in:				
General fund	493,170.94			493,170.94
Total Fund balances	4,088,302.62	5,933.79	6,000,000.00	10,094,236.41
Total liabilities and fund balances	4,186,191.72	52,802.00	6,013,805.08	
Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:				
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.				13,114,150.99
Pension Liabilities Net of Deferred Outflows & Inflows				(2,940,896.00)
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.				47,024.22
Some liabilities, such as compensated absences and capital leases, are not due and payable in the current period and therefore are not reported in the funds.				
Capital Leases				(40,640.22)
Compensated Absences				(725,470.00)
Mail Machine Lease				(6,384.00)
Total net position of governmental activities				\$ 19,542,021.40

City of Margate School District
(A Component Unit of the City of Margate)
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local tax levy	\$ 10,498,077.00			10,498,077.00
Tuition charges	810,365.89			810,365.89
Restricted Miscellaneous:	11,594.91			11,594.91
Miscellaneous	37,166.61			37,166.61
State sources	3,346,715.37	-		3,346,715.37
Federal sources		272,712.14		272,712.14
Local sources		18,400.32	6,070,559.03	6,088,959.35
Total revenues	<u>14,703,919.78</u>	<u>291,112.46</u>	<u>6,070,559.03</u>	<u>21,065,591.27</u>
EXPENDITURES				
Current:				
Regular instruction	3,408,746.82	152,539.12		3,561,285.94
Special education instruction	1,504,131.47			1,504,131.47
Other special instruction	342,864.18			342,864.18
Other instruction	142,880.58			142,880.58
Support services and undistributed costs				-
Tuition	920,495.08			920,495.08
Student & instruction related services	1,271,363.09	105,661.16		1,377,024.25
School administrative services	138,965.59			138,965.59
Other administrative services	429,749.39			429,749.39
Administration Information Technology	23,238.00			23,238.00
Plant operations and maintenance	1,373,788.95			1,373,788.95
Pupil transportation	252,274.99			252,274.99
Unallocated Benefits	4,813,997.16			4,813,997.16
Capital outlay	251,149.50	34,020.58	110,913.42	396,083.50
Transfer to Charter School	70,974.00			70,974.00
Total expenditures	<u>14,944,618.80</u>	<u>292,220.86</u>	<u>110,913.42</u>	<u>15,347,753.08</u>
(Deficiency) of revenues over expenditures	<u>(240,699.02)</u>	<u>(1,108.40)</u>	<u>5,959,645.61</u>	<u>5,717,838.19</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(15,669.42)			(15,669.42)
Total other financing sources and use:	<u>(15,669.42)</u>	<u>-</u>	<u>-</u>	<u>(15,669.42)</u>
Net change in fund balances	<u>(256,368.44)</u>	<u>(1,108.40)</u>	<u>5,959,645.61</u>	<u>5,702,168.77</u>
Fund Balance, July 1	4,344,671.06	7,042.19	40,354.39	4,392,067.64
Fund Balance, June 30	<u>\$ 4,088,302.62</u>	<u>5,933.79</u>	<u>6,000,000.00</u>	<u>10,094,236.41</u>

**City of Margate School District
(A Component Unit of the City of Margate)
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, 2022**

Total net change in fund balances - governmental funds (from B-2)	\$		5,702,168.77
Amounts reported for governmental activities in the statement of activities (A-2) are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.			
	Depreciation expense	(930,148.10)	
	Capital outlays	<u>263,620.91</u>	(666,527.19)
District pension contributions - PERS		176,775.00	
Cost of benefits earned net of employee contributions		<u>236,701.00</u>	413,476.00
Repayment of long term debt is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net position and is not reported in the statement of activities.			
			19,047.48
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 (+).			
			60,678.00
Change in net position of governmental activities			<u><u>5,528,843.06</u></u>

City of Margate School District
(A Component Unit of the City of Margate)
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Funds			Totals
	Food Service	Community Service Programs	Non-Major Funds	
ASSETS				
Current assets:				
Cash and cash equivalents	-	73,866.66	73,866.66	73,866.66
Accounts receivable	7,869.41	-	7,869.41	7,869.41
Inventories	1,152.08		1,152.08	1,152.08
Total current assets	<u>9,021.49</u>	<u>73,866.66</u>	<u>82,888.15</u>	<u>82,888.15</u>
Noncurrent assets:				
Furniture, machinery & equipment	32,265.00	65,334.00	97,599.00	97,599.00
Less accumulated depreciation	(28,788.60)	(64,718.99)	(93,507.59)	(93,507.59)
Total noncurrent assets	<u>3,476.40</u>	<u>615.01</u>	<u>4,091.41</u>	<u>4,091.41</u>
Total assets	<u>12,497.89</u>	<u>74,481.67</u>	<u>86,979.56</u>	<u>86,979.56</u>
LIABILITIES				
Current liabilities:				
Unearned revenue		3,200.00	3,200.00	3,200.00
Total current liabilities	<u>-</u>	<u>3,200.00</u>	<u>3,200.00</u>	<u>3,200.00</u>
Non-current liabilities:				
Compensated absences payable	450.00		450.00	450.00
Total noncurrent liabilities	<u>450.00</u>	<u>-</u>	<u>450.00</u>	<u>450.00</u>
Total liabilities	<u>450.00</u>	<u>3,200.00</u>	<u>3,650.00</u>	<u>3,650.00</u>
NET POSITION				
Investment in capital assets	3,476.40	615.01	4,091.41	4,091.41
Unrestricted	8,571.49	70,666.66	79,238.15	79,238.15
Total net position	<u>12,047.89</u>	<u>71,281.67</u>	<u>83,329.56</u>	<u>83,329.56</u>

The accompanying notes are an integral part of these financial statements

City of Margate School District
(A Component Unit of the City of Margate)
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Fund			Total
	Food Service	Community Service Programs	Non-Major Funds	
Operating revenues:				
Charges for services:				
Daily sales - reimbursable programs	\$ 100.00		100.00	100.00
Daily sales - non-reimbursable programs	10,775.60		10,775.60	10,775.60
Community service activities		16,441.00	16,441.00	16,441.00
Latchkey		71,672.00	71,672.00	71,672.00
Total operating revenues	<u>10,875.60</u>	<u>88,113.00</u>	<u>98,988.60</u>	<u>98,988.60</u>
Operating expenses:				
Cost of sales - Reimbursable	53,661.24		53,661.24	53,661.24
Cost of sales - Non Reimbursable	6,373.31		6,373.31	6,373.31
Salaries	38,924.48	58,687.25	97,611.73	97,611.73
Employee benefits		4,811.69	4,811.69	4,811.69
General supplies	11,144.95	2,579.77	13,724.72	13,724.72
Other objects	3,816.40	857.90	4,674.30	4,674.30
Total Operating Expenses	<u>113,920.38</u>	<u>66,936.61</u>	<u>180,856.99</u>	<u>180,856.99</u>
Operating (loss)	<u>(103,044.78)</u>	<u>21,176.39</u>	<u>(81,868.39)</u>	<u>(81,868.39)</u>
Nonoperating revenues (expenses):				
State sources:				
State school lunch program	2,041.13		2,041.13	2,041.13
Federal sources:				
National school lunch program	86,896.32		86,896.32	86,896.32
Other Nutrition Programs	1,242.00		1,242.00	1,242.00
Emergency Operational Cost Program	447.63		447.63	447.63
Food distribution program	-		-	-
Interest and investment revenue	62.62		62.62	62.62
Total nonoperating revenues	<u>90,689.70</u>	<u>-</u>	<u>90,689.70</u>	<u>90,689.70</u>
(Loss) before contributions & transfers	<u>(12,355.08)</u>	<u>21,176.39</u>	<u>8,821.31</u>	<u>8,821.31</u>
Other Financing Sources/(Uses)				
Cancelation of Interfund				
Transfer in from General Fund	15,669.42	-	15,669.42	15,669.42
Change in net position	3,314.34	21,176.39	24,490.73	24,490.73
Total net position—beginning	8,733.55	50,105.28	58,838.83	58,838.83
Total net position—ending	<u>\$ 12,047.89</u>	<u>71,281.67</u>	<u>83,329.56</u>	<u>83,329.56</u>

**City of Margate School District
(A Component Unit of the City of Margate)
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022**

	<u>Food Service</u>	<u>Community Service Programs</u>	<u>Non-Major Funds</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	10,875.60	86,213.00	97,088.60	97,088.60
Payments to employees	(42,874.48)	(63,498.94)	(106,373.42)	(106,373.42)
Payments to suppliers	(71,523.52)	(2,579.77)	(74,103.29)	(74,103.29)
Net cash (used for) operating activities	<u>(103,522.40)</u>	<u>20,134.29</u>	<u>(83,388.11)</u>	<u>(83,388.11)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	2,094.88		2,094.88	2,094.88
Federal Sources	84,151.57		84,151.57	84,151.57
Operating subsidies and transfers from other funds	15,669.42	-	15,669.42	15,669.42
Net cash provided by non-capital financing activities	<u>101,915.87</u>	<u>-</u>	<u>101,915.87</u>	<u>101,915.87</u>
CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES				
Purchase of capital assets	-	-	-	-
Net cash (used for) capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	62.62		62.62	62.62
Net cash provided by investing activities	<u>62.62</u>	<u>-</u>	<u>62.62</u>	<u>62.62</u>
Net increase in cash and cash equivalents	(1,543.91)	20,134.29	18,590.38	18,590.38
Balances—beginning of year	1,543.91	53,732.37	55,276.28	55,276.28
Balances—end of year	<u>-</u>	<u>73,866.66</u>	<u>73,866.66</u>	<u>73,866.66</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating (loss)	(103,044.78)	21,176.39	(81,868.39)	(81,868.39)
Adjustments to reconcile operating (loss) to net cash provided by/ (used for) operating activities				
Depreciation expense	3,476.40	857.90	4,334.30	4,334.30
Federal commodities	-	-	-	-
Decrease in accounts receivable	-	-	-	-
Decrease in inventories	(4.02)	-	(4.02)	(4.02)
Increase in deferred revenue	-	(1,900.00)	(1,900.00)	(1,900.00)
(Decrease) in deposits payable	-	-	-	-
Increase in accounts payable	-	-	-	-
Increase in compensated absences payable	(3,950.00)	-	(3,950.00)	(3,950.00)
Total adjustments	<u>(477.62)</u>	<u>(1,042.10)</u>	<u>(1,519.72)</u>	<u>(1,519.72)</u>
Net cash (used for) operating activities	<u>(103,522.40)</u>	<u>20,134.29</u>	<u>(83,388.11)</u>	<u>(83,388.11)</u>

CITY OF MARGATE BOARD OF EDUCATION
(A COMPONENT UNIT OF THE CITY OF MARGATE)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Margate School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of appointed officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the City of Margate School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY:

The City of Margate School District is a Type I district located in the County of Atlantic, State of New Jersey. As a Type I district, the Board of Education members are appointed by the Mayor. The Board is comprised of seven members appointed to three-year terms. The purpose of the district is to educate students in grades K-8. The City of Margate School District had an approximate enrollment at June 30, 2022 of 359 students.

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

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

Based on the aforementioned criteria, the District has no component units but, as a Type I School District, would be considered a component unit of the City of Margate. The City however reports on a regulatory basis of accounting which does not recognize component units. If the City followed generally accepted accounting principles (GAAP) reporting, the Board of Education would be a component unit of the City of Margate.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS:

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service, summer center stage, performing arts, and latchkey program are classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service, community services, and latchkey). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.).

CITY OF MARGATE BOARD OF EDUCATION
(A COMPONENT UNIT OF THE CITY OF MARGATE)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major facilities. The financial resources are derived from temporary notes or serial bonds. As a Type I School District all debt is borne by the municipality rather than the school district.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance.

- **Nonspendable** – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

CITY OF MARGATE BOARD OF EDUCATION
(A COMPONENT UNIT OF THE CITY OF MARGATE)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

- Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District's enterprise fund consists of the following:

Food Service Fund – provides for the operation of food services in all schools within the district.

Community Service Programs – provides latchkey and performing arts programs to the district residents on a fee basis.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments), private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

All fund internal activity is eliminated when carried to the Government-wide statements.

CITY OF MARGATE BOARD OF EDUCATION
(A COMPONENT UNIT OF THE CITY OF MARGATE)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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.

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 District 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.

NJSA 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.

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate).

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3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2022, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Supplies	\$	<u>1,152.08</u>
	\$	<u><u>1,152.08</u></u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenue, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated absences:

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

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In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

8. Interfund Activity:

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval and are approved by the board of school estimates. 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. 6:23-2.2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the Executive County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Salaries of Teachers:		
Grades 1-5	\$	45,407.28
Grades 6-8		(130,138.84)
Basic Skills - Salaries of Teachers		84,825.42
Tuition to Other LEAs within the State - Regular		56,964.00
Tuition to Other LEAs within the State - Special		42,053.00
Tuition to CSSD & Regional Day Schools		(89,469.00)
Health Services - Salaries		(68,466.21)
Child Study Team - Salaries of Oth Prof Staff		93,301.57
Improvement of Inst. Services - Salaries of Supv.		(43,885.18)
Unallocated Benefits - Health Benefits		(107,658.81)
Unallocated Benefits - Unused Sick Payment		116,976.25

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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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.

10. 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 District has received advances, are reflected in the balance sheet as unearned revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

11. Tuition 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.

12. Tuition Payable

Tuition charges for the fiscal years 2021/22 and 2020/21 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

13. Use of Estimates

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

14. Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the amended budget by program.

15. Pensions

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

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F. RECENT ACCOUNTING PRONOUNCEMENTS

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period". This statement, which is effective for fiscal periods beginning after December 31, 2021, will not have any effect on the District's financial reporting.

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2021, will not have any effect on the District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after December 31, 2021, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal years beginning after December 31, 2023, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription Based Information Technology Arrangements". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued 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". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

NOTE 2. INVESTMENTS

As of June 30, 2022, the District had no investments.

Interest 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 District investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market

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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.

NOTE 3. 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 the 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, 2022, \$0 of the District's bank balance of \$4,246,232.55 was exposed to custodial credit risk.

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NOTE 4. FIXED ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance at 6/30/21	Additions	Disposals/ Adjustments	Balance at 6/30/22
Governmental Activities:				
Capital assets not depreciated:				
Land	\$ 1,444,429.00			1,444,429.00
Construction in progress	-	110,913.42		110,913.42
Total capital assets not depreciated	1,444,429.00	110,913.42	-	1,555,342.42
Buildings and improvements	27,804,192.10			27,804,192.10
Machinery and equipment	1,837,105.32	152,707.49	(75,137.22)	1,914,675.59
Total at historical cost	29,641,297.42	152,707.49	(75,137.22)	29,718,867.69
Less: accumulated depreciation				
Buildings and improvements	(15,906,963.72)	(788,845.00)		(16,695,808.72)
Machinery and equipment	(1,357,444.30)	(141,303.10)	34,497.00	(1,464,250.40)
Total accumulated depreciation	(17,264,408.02)	(930,148.10)	34,497.00	(18,160,059.12)
Total capital assets being depreciated net of accumulated depreciation	12,376,889.40	(777,440.61)	(40,640.22)	11,558,808.57
Governmental activities capital assets, net	\$ 13,821,318.40	(666,527.19)	(40,640.22)	13,114,150.99
Business-type activities				
Equipment	\$ 97,599.00			97,599.00
Less: accumulated depreciation equipment	(89,173.29)	(4,334.30)		(93,507.59)
Business-type activities capital assets, net of depreciation	\$ 8,425.71	(4,334.30)	-	4,091.41

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Depreciation expense charged to governmental functions is as follows:

Regular instruction	\$	440,608.55
Special education		187,094.46
Other special instruction		42,647.86
Other instruction		17,772.49
Student & instruction related services		171,283.97
School administrative expenses		17,285.52
General and business administration		53,455.25
		\$ 930,148.10

NOTE 5. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Issued	Retired	Balance June 30, 2022	Amounts Due Within One Year
Obligations under Capital Leases	\$ 59,687.70		19,047.48	40,640.22	19,883.66
Lease Liability		6,384.00		6,384.00	1,596.00
Compensated Absences Payable	786,147.00	105,639.00	166,316.00	725,470.00	44,646.00
Net Pension Liability	2,526,002.00		737,823.00	1,788,179.00	
Total Governmental Activities	\$ 3,371,836.70	112,023.00	923,186.48	2,560,673.22	66,125.66

Bonds Payable – The City of Margate School District is a Type I School District. In the State of New Jersey, all Type I school debt is borne by the municipality rather than the school district.

Capital Leases Payable – The District is leasing the following vehicles under capital leases:

Commencing August 27, 2019, the District is leasing a 54 Passenger Bus totaling \$99,468.50. The lease is for a term of five years and payments in the amount of \$21,668.10 are made annually. The balance remaining at June 30, 2022 was \$40,640.22.

Lease Liability

The District entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at present value of the future minimum lease payments as of the date of their inception. The District has determined the accumulated amortization to be immaterial to the governmental-wide financial statements and has elected to record the remaining payments in full.

The first agreement was executed in June 2020, to lease a mail machine in the school district. The term of the lease is 60 months and matures in June 2026. The remaining liability as of June 30, 2022, is \$6,384.00.

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The future minimum lease obligations as of June 30, 2022, are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,596.00	-	1,596.00
2024	1,596.00	-	1,596.00
2025	1,596.00	-	1,596.00
2026	1,596.00	-	1,596.00
	<u>\$ 6,384.00</u>	<u>-</u>	<u>6,384.00</u>

NOTE 6. PENSION PLANS

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans 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 the reports can be accessed on the internet at <https://www.nj.gov/treasury/omb/publications/21fr/NJFRFY2021Complete.pdf>.

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January, 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.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January, 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 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.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA 43:15C-1 et seq). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43:15C-1 et seq.

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Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

The School District's contributions to TPAF for the years ending June 30, 2022, 2021, and 2020 were \$2,329,269, \$1,763,299, and \$1,513,512, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2022, 2021, and 2020 were \$176,775, \$169,453, and \$151,389, respectively, equal to the required contributions for each year.

The Board's total payroll for the year ended June 30, 2022, 2021, and 2020 was \$7,344,468.73, \$6,802,935, and \$6,764,110, respectively; covered payroll was \$5,313,895, \$5,035,580, and \$5,123,277 for TPAF; and \$1,131,398, \$1,106,008, and \$1,090,058 for PERS.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Teacher's Pension and Annuity Fund (TPAF) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS and TPAF hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the systems is increased from age 63 to 65 for Tier 5 members.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years. For fiscal year 2013, the member contribution rates increased in October 2012. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS and TPAF from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit

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multiplier for new members of PERS and TPAF to 1/60th from 1/55th, and it provided that new members of PERS and TPAF have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS and TPAF will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS and TPAF with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 7. PUBLIC EMPLOYEES' RETIREMENT FUND (PERS)

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District's pension liabilities. However, due to the fact that the District reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the District's pension liabilities as June 30, 2021:

Public Employees' Retirement System

The District has a liability of \$1,788,179 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 that was rolled forward to June 30, 2021. 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 employers, actuarially determined. At June 30, 2021, the District's proportion would be 0.01509457360%, which would be an decrease of 2.55% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the District would have recognized pension expense of \$236,701. At December 31, 2021, the District would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected & actual experience	\$ 28,202	12,801
Changes of assumptions	9,313	636,603
Changes in proportion	128,925	198,700
Net difference between projected and actual earnings on pension plan investments		471,053
Total	<u>\$ 166,440</u>	<u>1,319,157</u>

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to

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pensions would be recognized in pension expense as follows:

Year ended June 30,		
2022	\$	(449,117)
2023		(320,669)
2024		(218,641)
2025		(164,353)
2026		64
Total	<u>\$</u>	<u>(1,152,717)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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%

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 disable 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 generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) 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

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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, 2021 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%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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 District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ 2,129,716	1,788,179	1,498,748

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

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NOTE 8. TEACHERS' PENSION AND ANNUITY FUND (TPAF)

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net position liability associated with the District	<u>21,783,318.00</u>
Total	<u>\$ 21,783,318.00</u>

The net pension liability was measured as of June 30, 2021 and the total pension liability 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 school districts and the State, actuarially determined. At June 30, 2021, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$512,571 and revenue of \$512,571 for support provided by the State.

Actuarial assumptions. The total pension liability in the June 30, 2021 actuarial valuation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all period included 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%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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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, 2021) 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, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	7.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Discount rate. The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	-	-

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Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the local group at June 30, 2021 are as follows:

Deferred outflows of resources	\$	6,373,530,834
Deferred inflows of resources		27,363,797,906
Net pension liability		48,165,991,182

Collective pension expense for the plan for the measurement period ended June 30, 2020 is \$1,133,366,912.

NOTE 9. LABOR CONTRACTS

As of June 30, 2022, the District's employees are organized in two collective bargaining units. The contracts with the Education Association and the Administrators Association are effective from July 1, 2020 through June 30, 2023. In addition, the District has a separate contract with the Business Administrator that is renewed annually.

NOTE 10. OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan is administered on a "pay-as-you-go" basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as "the employers") for which the State is legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 54:14-17.26 provides that for purposes of the State Retired OPEB Plan, and employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed an employee of the State. Further, P.L. 1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan is administered on a "pay-as-you-go" basis. Accordingly, no assets are accumulated in a qualifying

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trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: TPAF, PERS, PFRS, or ABP.

Pursuant to P.L. 2011, c.78, future retirees eligible for postemployment medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The state is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. The State, as a nonemployer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$67,809,962,608 for this special funding situation.

Additional information on Pensions and OPEB can be accessed at state.nj.us/treasury/pensions/financial-reports.shtml.

Total OPEB Liability

The State, a non-employer 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 GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget webpage: <https://www.nj.gov/treasury/omb/publications/21fr/NJFRFY2021Complete.pdf>.

Actuarial assumptions and other imputes:

The total OPEB liability in the June 30, 2021 actuarial valuation reported by the State in the State's most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate – 2.50%

Salary Increases –

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years	3.25 - 15.25% based on service years
Thereafter	2.75 - 5.65% based on service years	3.00 - 7.00% based on service years	Applied to all future years

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Mortality Rates –

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-2021. 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-2021. 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-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2021 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the period July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS, and PFRS, respectively.

Health Care Trend Assumptions –

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.7% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.5% after 11 years. For HMO the trend is initially .01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025, and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate –

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability reported by the State of New Jersey

Balance at 6/30/21 (Based on 6/30/2020 measurement date)	\$ 67,809,962,608.00
Changes for the year:	
Service cost	3,217,184,264.00
Interest	1,556,661,679.00
Changes in Benefit Terms	(63,870,842.00)
Differences between Expected & Actual Experiences	(11,385,071,658.00)
Changes in assumptions or other inputs	59,202,105.00
Contributions: Member	39,796,196.00
Benefit payments	<u>(1,226,213,382.00)</u>
Net changes	<u>(7,802,311,638.00)</u>
Balance at 6/30/22 (Based on 6/30/2021 measurement date)	<u>\$ 60,007,650,970.00</u>

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JUNE 30, 2022

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability as of June 20, 2021, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease (1.16%)</u>	<u>Discount Rate (2.16%)</u>	<u>1% Increase (3.16%)</u>
Total OPEB Liability (School Retirees)	71,879,745,555.00	60,007,650,970.00	50,659,089,138.00

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following presents the total OPEB liability as of June 30, 2021 calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	48,576,388,417.00	60,007,650,970.00	75,358,991,782.00

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 recognized OPEB expense of \$748,862 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 9,045,886,863.00	(18,009,362,976.00)
Changes of assumptions	10,179,536,966.00	(6,438,261,807.00)
Total	<u>\$ 19,225,423,829.00</u>	<u>\$ (24,447,624,783.00)</u>

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

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Year ended June 30,	
2022	\$ (1,182,303,041.00)
2023	(1,182,303,041.00)
2024	(1,182,303,041.00)
2025	(1,182,303,041.00)
2026	(840,601,200.00)
Thereafter	347,612,410.00
Total	<u>\$ (5,222,200,954.00)</u>

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

NOTE 11. COMPENSATED ABSENCES

The District accounts for compensated absences (e.g. unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees.

NOTE 12. 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:

Lincoln Investment Planning, Inc.
Equitable
Met Life
Aspire Financial Services

NOTE 13. 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.

CITY OF MARGATE BOARD OF EDUCATION
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Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2022 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust fund for benefits paid to its former employees and charged to its account with the State. This District is billed quarterly for amounts due to the State. The following table is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ 122	12,623	-	132,923
2020-2021	253	9,610	1,922	120,178
2019-2020	324	9,523	7,561	112,237

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2022:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 39,762.85	
Special Revenue Fund		25,957.77
Capital Projects Fund		13,805.08
Total	<u>\$ 39,762.85</u>	<u>39,762.85</u>

Interfunds are created as a result of timing differences between cash requirements in various funds and the receipt of cash from funding agencies, and to subsidize operating revenue in food service. It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 15. ECONOMIC DEPENDENCY

The District is heavily reliant on local property taxation through the City of Margate to fund the District’s operations. Property taxes and state aid funded approximately 90% of the District 2021-2022 governmental operations.

NOTE 16. CAPITAL RESERVE FUND

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The District has not funded their capital reserve fund. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve fund by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

NOTE 17. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$4,132,409.62 General Fund fund balance at June 30, 2022, \$93,633.82 is reserved for encumbrances; \$3,268,576.10 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$1,426,944.75 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2023); \$99,999.25 has been appropriated and also included as anticipated revenue for the year ending June 30, 2023; \$132,922.51 has been reserve for Unemployment Compensation; and \$537,277.94 is unreserved and undesignated.

NOTE 18. CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. 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, 2022 is \$3,268,576.10, of which \$1,426,944.75 has been included in the 2022-23 budget. The excess fund balance at June 30, 2021 was \$3,421,323.47.

NOTE 19. LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District’s management, the outcome of any legal proceedings will not have any adverse affect on the accompanying financial statements.

NOTE 20 – RIGHT TO USE ASSETS

The district has recorded right to use assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability, plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place to lease into service. The District has determined the other charges and amortization to be immaterial to the government-wide financial statements and has elected to record the Right to Use Assets at their remaining liability payments.

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Mail Machine	\$ -	6,384.00		6,384.00
School Bus	-	40,640.22		40,640.22
Right to use assets, net	\$ <u>-</u>	<u>47,024.22</u>	<u>-</u>	<u>47,024.22</u>

NOTE 21. SUBSEQUENT EVENTS

The District has evaluated subsequent events through March 10, 2023, the date which the financial statements were available to be issued and no items were noted for disclosure or adjustment.

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Required Supplemental Information
Part II

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BUDGETARY COMPARISON SCHEDULES

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**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 10,498,077.00		10,498,077.00	10,498,077.00	-
Tuition - From Individuals	20,000.00		20,000.00	26,888.89	6,888.89
Tuition - From other LEAs within State	783,477.00		783,477.00	783,477.00	-
Restricted Miscellaneous			-	11,594.91	11,594.91
Miscellaneous	4,357.00		4,357.00	37,166.61	32,809.61
Total - Local Sources	11,305,911.00	-	11,305,911.00	11,357,204.41	51,293.41
State Sources:					
Categorical Special Education Aid	314,672.00		314,672.00	314,672.00	-
Categorical Security Aid	43,782.00		43,782.00	43,782.00	-
Adjustment Aid	20,181.00		20,181.00	20,181.00	-
Categorical Transportation Aid	136,684.00		136,684.00	136,684.00	-
Special Education Extraordinary Aid	50,000.00		50,000.00	84,612.00	34,612.00
Non-Public Transportation Aid				14,120.00	14,120.00
On-Behalf TPAF Pension Contributions (non-budgeted)				1,887,798.00	1,887,798.00
On-Behalf TPAF Post-Retirement Medical Contributions (non-budgeted)				441,066.00	441,066.00
On-Behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)				405.00	405.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				401,701.37	401,701.37
Total - State Sources	565,319.00	-	565,319.00	3,345,021.37	2,779,702.37
Total Revenues	11,871,230.00	-	11,871,230.00	14,702,225.78	2,830,995.78

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	290,517.00	15,672.48	306,189.48	306,189.48	-
Grades 1-5	1,528,566.50	45,407.28	1,573,973.78	1,435,689.51	138,284.27
Grades 6-8	1,600,198.24	(130,138.84)	1,470,059.40	1,398,808.12	71,251.28
Regular Programs - Home Instruction:	6,000.00	-	6,000.00	-	6,000.00
Regular Programs - Undistributed Instruction:					
Other Purchased Services	10,404.31	-	10,404.31	7,100.62	3,303.69
General Supplies	354,622.95	-	354,622.95	231,829.80	122,793.15
Textbooks	112,731.38	-	112,731.38	29,129.29	83,602.09
Total Regular Programs	3,903,040.38	(69,059.08)	3,833,981.30	3,408,746.82	425,234.48
Multiple Disabilities					
Salaries of Teachers	48,036.80	8,016.52	56,053.32	56,053.32	-
Total Multiple Disabilities	48,036.80	8,016.52	56,053.32	56,053.32	-
Resource Room/Resource Center:					
Salaries of Teachers	1,110,794.42	1,747.92	1,112,542.34	1,095,321.32	17,221.02
Other Salaries for Instruction	209,813.34	30,349.88	240,163.22	239,538.04	625.18
General Supplies	8,691.00	(320.00)	8,371.00	2,996.64	5,374.36
Textbooks	1,500.00	-	1,500.00	144.69	1,355.31
Total Resource Room/Resource Center	1,330,798.76	31,777.80	1,362,576.56	1,338,000.69	24,575.87
Preschool Disabilities - Part Time					
Salaries of Teachers	83,750.00	7,189.92	90,939.92	90,939.92	-
Other Salaries for Instruction	28,948.98	-	28,948.98	18,937.54	10,011.44
General Supplies	800.00	-	800.00	200.00	600.00
Total Preschool Disabilities - Part Time	113,498.98	7,189.92	120,688.90	110,077.46	10,611.44
Home Instruction:					
Purchased Professional - Educational Services	10,000.00	-	10,000.00	-	10,000.00
Total Home Instruction:	10,000.00	-	10,000.00	-	10,000.00
Total Special Education - Instruction	1,502,334.54	46,984.24	1,549,318.78	1,504,131.47	45,187.31
Basic Skills/Remedial- Instruction					
Salaries of Teachers	286,128.00	84,825.42	370,953.42	324,511.93	46,441.49

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Total Basic Skills/Remedial - Instruction	286,128.00	84,825.42	370,953.42	324,511.93	46,441.49
Bilingual Education - Instruction:					
Salaries of Teachers	10,698.00	9,660.00	20,358.00	18,299.25	2,058.75
General Supplies	300.00	-	300.00	53.00	247.00
Total Bilingual Education - Instruction	10,998.00	9,660.00	20,658.00	18,352.25	2,305.75
School Sponsored Cocurricular Activities - Instruction:					
Salaries	81,464.00	-	81,464.00	71,138.61	10,325.39
Supplies and Materials	4,949.00	-	4,949.00	3,550.67	1,398.33
Other Objects	13,600.00	-	13,600.00	4,488.00	9,112.00
Total School Sponsored Cocurricular Activities - Instruction	100,013.00	-	100,013.00	79,177.28	20,835.72
School Sponsored Athletics - Instruction					
Salaries	16,500.00	-	16,500.00	13,800.00	2,700.00
Purchased Services	5,000.00	-	5,000.00	3,929.90	1,070.10
Supplies and Materials	3,500.00	-	3,500.00	2,779.29	720.71
Other Objects	1,000.00	-	1,000.00	700.00	300.00
Total School Sponsored Athletics - Instruction	26,000.00	-	26,000.00	21,209.19	4,790.81

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Summer School - Instruction	65,281.48	-	65,281.48	40,895.24	24,386.24
Salaries of Teachers	5,716.00	-	5,716.00	1,598.87	4,117.13
Other Salaries of Instruction	70,997.48	-	70,997.48	42,494.11	28,503.37
Total Summer School - Instruction	5,899,511.40	72,410.58	5,971,921.98	5,398,623.05	573,298.93
Total Instruction	753,407.00	56,964.00	810,371.00	778,340.89	32,030.11
Undistributed Expenditures - Instruction:	32,505.00	42,053.00	74,558.00	48,828.19	25,729.81
Tuition to Other LEAs within the State - Regular	14,228.00	-	14,228.00	14,228.00	-
Tuition to Other LEAs within the State - Special	100,390.00	(89,469.00)	10,921.00	-	10,921.00
Tuition to County Voc. School District - Regular	81,893.00	(9,548.00)	72,345.00	9,098.00	63,247.00
Tuition to CSSD & Regional Day Schools	220,000.00	(35,487.00)	184,513.00	70,000.00	114,513.00
Tuition to Priv. Sch. For the Disabled within the State	1,202,423.00	(35,487.00)	1,166,936.00	920,495.08	246,440.92
Tuition to Priv. Sch. For the Disabled outside the State	27,091.00	3,715.46	30,806.46	29,665.48	1,140.98
Total Undistributed Expenditures - Instruction	27,091.00	3,715.46	30,806.46	29,665.48	1,140.98
Total Undistributed Expenditures - Attendance and Social Work	209,966.00	(68,466.21)	141,499.79	141,499.79	-
Salaries	8,000.00	-	8,000.00	7,000.00	1,000.00
Purchased Professional and Technical Services	4,516.59	-	4,516.59	4,275.39	241.20
Supplies and Materials	222,482.59	(68,466.21)	154,016.38	152,775.18	1,241.20
Total Undistributed Expenditures - Health Services	222,482.59	(68,466.21)	154,016.38	152,775.18	1,241.20

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Speech, OT, PT and Related Services					
Salaries	145,449.13	2,354.29	147,803.42	147,803.16	0.26
Purchased Professional Education Services	5,000.00	(1,105.00)	3,895.00	2,200.00	1,695.00
Supplies and Materials	1,000.00	-	1,000.00	-	1,000.00
Total Undistributed Expenditures - Speech, OT, PT and Related Services	151,449.13	1,249.29	152,698.42	150,003.16	2,695.26
Undistributed Expenditures - Other Support Services - Extra. Serv.					
Purchased Professional - Educational Services	156,587.50	(4,000.00)	152,587.50	73,307.69	79,279.81
Supplies and materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Undistributed Services - Other Support Services - Extra. Serv.	156,587.50	(4,000.00)	152,587.50	73,307.69	79,279.81
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	352,208.16	93,301.57	445,509.73	445,502.73	7.00
Salaries of Secretarial and Clerical Assistants	48,831.00	(25,933.58)	22,897.42	22,897.42	-
Other Purchased Services	800.00	-	800.00	-	800.00
Supplies and Materials	20,200.00	(3,100.00)	17,100.00	10,735.89	6,364.11
Other Objects	1,500.00	-	1,500.00	-	1,500.00
Total Undistributed Expenditures - Child Study Teams	423,539.16	64,267.99	487,807.15	479,136.04	8,671.11
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	113,258.00	(43,885.18)	69,372.82	29,604.54	39,768.28
Salaries of Secretaries and Clerical Staff	38,293.00	(1,114.82)	37,178.18	37,178.18	-
Unused Vacation Payment to Terminated/Retired Staff	-	10,996.00	10,996.00	10,996.00	-
Other Purchased Services	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Undistributed Expenditures - Improv. of Instr. Services	151,551.00	(34,004.00)	117,547.00	77,778.72	39,768.28

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Educational Media Services - School Library					
Salaries	104,982.00	(19,581.71)	85,400.29	85,400.29	-
Salaries of Technology Coordinators	77,432.00	-	77,432.00	76,678.94	753.06
Other Purchased Services (400-500 series)		299.00	299.00	299.00	-
Supplies and Materials	176,686.00	(299.00)	176,387.00	144,037.64	32,349.36
Other Objects	75.00	-	75.00	-	75.00
Total Undistributed Expenditures - Educational Media Services - School Library	359,175.00	(19,581.71)	339,593.29	306,415.87	33,177.42
Undistributed Expenditures - Instr. Staff Training Services					
Purchased Professional - Education Services	2,950.00	(528.00)	2,422.00	1,752.95	669.05
Other Objects		528.00	528.00	528.00	-
Total Undistributed Expenditures - Instr. Staff Training Services	2,950.00	-	2,950.00	2,280.95	669.05
Undistributed Expenditures - Support Services - Gen. Admin.:					
Salaries	171,291.00	1,374.48	172,665.48	172,665.48	-
Legal Services	52,544.60	(500.00)	52,044.60	37,957.76	14,086.84
Audit Fees	17,500.00	500.00	18,000.00	18,000.00	-
Architectural/Engineering Services	15,000.00	-	15,000.00	12,170.00	2,830.00
Other Purchased Professional Services	2,000.00	-	2,000.00	1,995.00	5.00
Communications/Telephone	30,942.00	-	30,942.00	15,807.13	15,134.87
Misc Purchased Services (400-500)	3,000.00	-	3,000.00	1,334.44	1,665.56
General Supplies	8,603.00	-	8,603.00	6,858.93	1,744.07
Miscellaneous Expenditures	12,275.00	-	12,275.00	11,671.15	603.85
Total Undistributed Expenditures - Support Services - Gen. Admin.	313,155.60	1,374.48	314,530.08	278,459.89	36,070.19
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals	120,000.00	(22,692.52)	97,307.48	97,307.48	-
Salaries of Secretarial and Clerical Assistants	34,569.00	1,738.26	36,307.26	36,307.26	-
Purchased Professional and Technical Services		-	600.00	-	600.00
Other Purchased Services (400-500 series)	600.00	-	600.00	-	600.00
Supplies and Materials	14,000.00	8,000.00	22,000.00	3,356.85	18,643.15
Other Objects	3,975.00	-	3,975.00	1,994.00	1,981.00
Total Undistributed Expenditures - Support Serv. - School Admin.	173,144.00	(12,954.26)	160,189.74	138,965.59	21,224.15

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Central Services					
Salaries	141,900.00	(9,134.62)	132,765.38	132,733.54	31.84
Unused Vacation Payments to Terminated/Retired Staff		9,267.43	9,267.43	9,267.43	-
Purchased Technical Services	4,000.00	(2,450.00)	1,550.00	880.00	670.00
Misc. Purchased Services	1,700.00	-	1,700.00	-	1,700.00
Supplies and Materials	8,000.00	-	8,000.00	7,218.53	781.47
Miscellaneous Expenditures	1,200.00	-	1,200.00	1,190.00	10.00
Total Undistributed Expenditures - Central Services	156,800.00	(2,317.19)	154,482.81	151,289.50	3,193.31
Undistributed Expenditures - Administration Information Technology					
Other Purchased Services	24,000.00	-	24,000.00	23,238.00	762.00
Total Undistributed Expenditures - Administration Info Technology	24,000.00	-	24,000.00	23,238.00	762.00
Undistributed Expenditures - Required Maintenance for School Facilities					
Salaries	285,977.00	(8,481.00)	277,496.00	270,588.30	6,907.70
Unused Vacation Payment to Terminated/Retired Staff	319,319.00	5,209.82	5,209.82	5,208.98	0.84
Cleaning Repairs and Maintenance Services	145,000.00	-	319,319.00	188,533.19	130,785.81
General Supplies		-	145,000.00	43,682.06	101,317.94
Total Undistributed Expenditures - Required Maintenance for School Facilities	750,296.00	(3,271.18)	747,024.82	508,012.53	239,012.29
Undistributed Expenditures - Custodial Services					
Salaries	371,301.00	8,480.56	379,781.56	322,505.59	57,275.97
Unused Vacation Payment to Terminated/Retired Staff		-	-	-	-
Cleaning, Repair and Maintenance Services	28,154.28	-	28,154.28	21,228.19	6,926.09
Insurance	76,780.00	4,117.00	80,897.00	78,808.00	2,089.00
General Supplies	45,001.00	(1,500.00)	43,501.00	37,208.62	6,292.38
Energy (Natural Gas)	89,170.28	23,300.00	112,470.28	109,428.06	3,042.22
Energy (Electricity)	315,199.12	(22,800.00)	292,399.12	261,475.45	30,923.67
Other Objects		1,000.00	1,000.00	1,000.00	-
Total Undistributed Expenditures - Custodial Services	925,605.68	12,597.56	938,203.24	831,653.91	106,549.33

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Care and Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	30,000.00	-	30,000.00	23,540.00	6,460.00
General Supplies	1,500.00	-	1,500.00	359.89	1,140.11
Total Undistributed Expenditures - Care and Upkeep of Grounds	31,500.00	-	31,500.00	23,899.89	7,600.11
Undistributed Expenditures - Security					
Cleaning, Repair, and Maintenance Services	15,000.00	(1,841.81)	13,158.19	1,565.00	11,593.19
General Supplies	7,000.00	1,841.81	8,841.81	8,657.62	184.19
Total Undistributed Expenditures - Security	22,000.00	-	22,000.00	10,222.62	11,777.38
Total Undistributed Expen - Oper & Main of Plant Serv	1,729,401.68	9,326.38	1,738,728.06	1,373,788.95	364,939.11
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transp. (Between Home and School)-Spec Ed	83,019.00	-	83,019.00	47,737.11	35,281.89
Salaries for Pupil Transp. (Other than Between Home and School)	4,560.00	-	4,560.00	2,753.00	1,807.00
Cleaning, Repair and Maintenance Service	15,000.00	-	15,000.00	8,171.85	6,828.15
Contracted Services - Aid in Lieu of Payments Non Public	15,000.00	-	15,000.00	8,822.23	6,177.77
Contracted Services - (Other than Between Home and School) - Vendors	21,600.00	-	21,600.00	6,502.00	15,098.00
Contracted Services - (Between Home and School) - Joint Agmnts	154,205.00	-	154,205.00	147,210.90	6,994.10
Contracted Services (Special Ed Students) - Joint Agreements	183,136.00	-	183,136.00	28,950.00	154,186.00
General Supplies					
Transportation Supplies	15,112.00	(8,000.00)	7,112.00	2,127.90	4,984.10
Other Objects	1,200.00	-	1,200.00	-	1,200.00
Total Undistributed Expenditures - Student Transportation Serv.	492,832.00	(8,000.00)	484,832.00	252,274.99	232,557.01
Unallocated Benefits:					
Social Security Contributions	129,000.00	8,075.00	137,075.00	137,074.77	0.23
TPAF Contributions - ERIP					
Other Retirement Contributions - PERS	173,542.00	4,513.00	178,055.00	177,997.57	57.43
Other Retirement Contributions - Regular	4,956.00	675.00	5,631.00	5,628.95	2.05
Unemployment Compensation	10,000.00	-	10,000.00	-	10,000.00
Workmen's Compensation	95,233.00	(14,087.00)	81,146.00	71,266.00	9,880.00
Health Benefits	1,643,402.00	(107,658.81)	1,535,743.19	1,499,575.07	36,168.12

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Tuition Reimbursements	42,560.00	(110.00)	42,450.00	3,515.68	38,934.32
Other Employee Benefits	12,604.25	(11,404.25)	1,200.00	-	1,200.00
Unused Sick Payment to Term/Ret Staff	71,000.00	116,976.25	187,976.25	187,968.75	7.50
Total Unallocated Benefits	2,182,297.25	(3,020.81)	2,179,276.44	2,083,026.79	96,249.65
On-Behalf TPAF Pension Contributions (non-budgeted)	-	-	-	1,887,798.00	(1,887,798.00)
On-Behalf TPAF Post-Retirement Medical Contributions (non-budgeted)	-	-	-	441,066.00	(441,066.00)
On-Behalf TPAF Long-Term Disability Insurance Contributions (non-budgeted)	-	-	-	405.00	(405.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	401,701.37	(401,701.37)
Total On-behalf Contributions	-	-	-	2,730,970.37	(2,730,970.37)
Total Undistributed Expenditures	7,768,878.91	(107,897.58)	7,660,981.33	9,223,872.25	(1,562,890.92)
Total Current Expense	13,668,390.31	(35,487.00)	13,632,903.31	14,622,495.30	(989,591.99)
Capital Outlay:					
Equipment:					
Undistributed Expenditures:					
Grades 1-5	19,839.00	-	19,839.00	19,717.30	121.70
Grades 6-8	20,629.00	-	20,629.00	20,507.30	121.70
Support Services - Instructional Staff	40,028.00	2,240.54	42,268.54	42,251.99	16.55
Central Services	-	-	-	-	-
Required Maint School Facilities Security	178,000.00	(2,240.54)	175,759.46	83,765.14	91,994.32
School Buses - Regular	21,669.00	-	21,669.00	21,667.77	1.23
Total Equipment	280,165.00	(0.00)	280,165.00	187,909.50	92,255.50
Facilities Acquisition and Construction Services					
Construction Services	50,000.00	-	50,000.00	-	50,000.00
Assessment for Debt Service on SDA Funding	63,240.00	-	63,240.00	63,240.00	-
Total Facilities Acquisition and Construction Services	113,240.00	-	113,240.00	63,240.00	50,000.00
Total Capital Outlay	393,405.00	(0.00)	393,405.00	251,149.50	142,255.50
Transfers to Charter Schools	35,487.00	35,487.00	70,974.00	70,974.00	-
Total Expenditures	14,097,282.31	-	14,097,282.31	14,944,618.80	(847,336.49)

**City of Margate Board of Education
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,226,052.31)	-	(2,226,052.31)	(242,393.02)	1,983,659.29
Other Financing Sources (Uses):					
Operating Transfers Out:					
Transfer to Community Service Programs	(50,000.00)	-	(50,000.00)	-	-
Transfer to Food Service Fund - Board Contribution				(15,669.42)	34,330.58
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,276,052.31)	-	(2,276,052.31)	(258,062.44)	2,017,989.87
Fund Balances, July 1	4,390,472.06	-	4,390,472.06	4,390,472.06	-
Fund Balances, June 30	<u>\$ 2,114,419.75</u>	<u>-</u>	<u>2,114,419.75</u>	<u>4,132,409.62</u>	<u>2,017,989.87</u>

Recapitulation of Fund Balance:

Restricted Fund Balance:

Reserve for Excess Surplus	1,841,631.35
Excess Surplus-Designated for Subsequent Year's Expenditures	1,426,944.75
Unemployment Compensation	132,922.51

Assigned Fund Balance:

Designated for Subsequent Year's Expenditures	99,999.25
Reserve for Encumbrances	93,633.82

Unassigned Fund Balance

	<u>537,277.94</u>
	4,132,409.62

Reconciliation to Governmental Funds Statements (GAAP)

Last State Aid Payment Not Recognized on GAAP Basis	<u>(44,107.00)</u>
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Fund Balance per Governmental Funds (GAAP)

	<u><u>4,088,302.62</u></u>
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**City of Margate School District
(A Component Unit of the City of Margate)
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers/Adjustments	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ -	10,058.63	10,058.63	18,400.32	8,341.69
Total - Local Sources	-	10,058.63	10,058.63	18,400.32	8,341.69
Federal Sources:					
Title I	57,400.00		57,400.00	20,940.03	(36,459.97)
Title II	10,180.00		10,180.00	10,042.91	(137.09)
Title IV	15,740.00		15,740.00	13,270.40	(2,469.60)
LD.E.A., Part B	161,475.00		161,475.00	140,406.11	(21,068.89)
ARP I.D.E.A.	20,092.00		20,092.00	18,512.00	(1,580.00)
CARES Act	1,444.35		1,444.35	1,444.35	-
CRRSA - ESSER II	156,601.38		156,601.38	79,346.81	(77,254.57)
Total - Federal Sources	422,932.73	-	422,932.73	283,962.61	(138,970.12)
Total Revenues	-	432,991.36	432,991.36	302,362.93	(130,628.43)
EXPENDITURES:					
Instruction					
Salaries of Teachers	28,287.09		28,287.09	13,755.11	14,531.98
Purchased Professional and Technical Services	34,882.00		34,882.00	26,292.00	8,590.00
Purchased Professional - Educational Services	-		-	-	-
Purchased Property Services	5,740.00		5,740.00	5,740.00	-
Other Purchased Services (400-500 series)	111,452.00		111,452.00	91,492.80	19,959.20
General Supplies	17,146.68		17,146.68	10,744.26	6,402.42
Total instruction	197,507.77	-	197,507.77	148,024.17	49,483.60
Support Services					
Salaries of teachers	53,321.00		53,321.00	19,262.45	34,058.55
Personal Services - Employee Benefits	5,962.00		5,962.00	2,097.03	3,864.97
Purchased Professional and Technical Services	33,690.00		33,690.00	12,750.33	20,939.67
Purchased Professional - Educational Services	52,673.00		52,673.00	50,951.91	1,721.09
Purchased Property Services	-		-	-	-
Other Purchased Services	845.00		845.00	5,691.03	845.00
Supplies and Materials	17,390.59		17,390.59	13,774.41	11,699.56
Student Activities	-		-	100.00	(100.00)
Scholarships	-		-	104,627.16	73,128.84
Total support services	163,881.59	-	163,881.59	104,627.16	73,128.84
Facilities acquisition and construction services:					
Instructional Equipment	71,602.00		71,602.00	50,820.00	20,782.00
Non-Instructional Equipment	71,602.00		71,602.00	50,820.00	20,782.00
Total facilities acquisition and construction services	-	-	-	303,471.33	143,394.44
Total expenditures	-	432,991.36	432,991.36	(1,108.40)	12,766.01
Excess (Deficiency) of Revenues Over (Under) Expenditure:	\$ -	-	-	7,042.19	
Fund Balance, July 1				\$ 5,933.79	
Fund Balance, June 30				\$ 4,223.10	
Student Activities				\$ 1,710.69	
Scholarships				\$ 5,933.79	
Total Fund Balance					

City of Margate School District
(A Component Unit of the City of Margate)
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

Note A - Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditure:

		General Fund	Special Revenue
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	C-1; C-2	\$ 14,702,225.78	302,362.93
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized			
Prior Year			6,113.88
Current Year			(17,364.35)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.			
		45,801.00	
State aid payments recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.			
		(44,107.00)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	B-2	14,703,919.78	291,112.46
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	C-1; C-2	14,944,618.80	303,471.33
Differences - budget to GAAP			
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			
Prior Year			6,113.88
Current Year			(17,364.35)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	B-2	\$ 14,944,618.80	292,220.86

Required Supplemental Information
Part III

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CITY OF MARGATE SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Nine Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.01509457360%	0.01548992800%	0.01543098190%	0.01447294060%	0.0164527330%	0.0149474488%	0.0149719947%	0.0148744718%	0.0148888602%
District's proportionate of the net pension liability (asset)	\$ 1,788,179	2,526,002.00	2,780,429	2,849,650	3,829,933	4,427,006	3,360,913	2,784,908	2,864,669
District's covered payroll	1,131,388	1,106,008	1,090,058	1,102,123	1,051,913	1,111,826	1,059,996	1,031,944	1,014,063
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	158.05%	228.39%	255.07%	258.56%	364.09%	398.17%	317.07%	269.87%	282.49%
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for nine years. Additional years will be presented as they become available

CITY OF MARGATE SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System
Last Nine Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contributor	\$ 176,775	169,452.00	150,098	143,959	152,417	132,791	128,719	122,623	112,938
Contributions in relation to the contractual; required contributor	176,775	169,452	150,098	143,959	152,417	132,791	128,719	122,623	112,938
Contribution deficiency (excess);	-	-	-	-	-	-	-	-	-
District's covered-employee payroll	1,131,398	1,106,008	1,090,058	1,102,123	1,051,913	1,111,826	1,059,996	1,031,944	1,014,063
Contributions as a percentage of covered-employee payroll	15.62%	15.32%	13.77%	13.06%	14.49%	11.94%	12.14%	11.86%	11.14%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period.
 However, information is only currently available for nine years
 Additional years will be presented as they become available

CITY OF MARGATE SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Nine Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	-	-	-	-	-	-	-	-
State's proportionate share of the net pension liability (asset) associated with the District	21,783,318	32,546,262	30,778,947	30,218,370	31,717,228	36,048,332	29,883,799	25,654,159	24,764,165
Total	<u>21,783,318</u>	<u>32,546,262</u>	<u>30,778,947</u>	<u>30,218,370</u>	<u>31,717,228</u>	<u>36,048,332</u>	<u>29,883,799</u>	<u>25,654,159</u>	<u>24,764,165</u>
District's covered payroll	5,313,895	5,035,580	5,123,277	5,134,615	5,387,586	4,978,496	4,789,257	4,628,422	4,628,422
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.64%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for nine years. Additional years will be presented as they become available

CITY OF MARGATE SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Six Fiscal Years

	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	-	-	-	-	-
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>30,088,759.00</u>	<u>33,723,153.00</u>	<u>21,425,968.00</u>	<u>24,655,721.00</u>	<u>27,726,073.00</u>	<u>30,025,335.00</u>
Total	<u>\$ 30,088,759.00</u>	<u>33,723,153.00</u>	<u>21,425,968.00</u>	<u>24,655,721.00</u>	<u>\$ 27,726,073.00</u>	<u>30,025,335.00</u>
District's covered payroll	6,445,293.00	6,141,588.00	6,213,335.00	6,236,738.00	6,439,499.00	6,090,322.00
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:						
Service Cost	1,198,478.00	716,399.00	749,438.00	844,987.00	1,016,166.00	
Interest Cost	780,534.00	765,106.00	970,947.00	1,011,551.00	875,930.00	
Change in Benefit Terms	(32,026.00)					
Expected v. Actual	(5,016,177.00)	5,224,916.00	(4,631,384.00)	(1,461,024.00)	-	
Changes in Assumptopns	29,685.00	6,160,061.00	319,463.00	(2,829,367.00)	(3,572,810.00)	
Member Contributions	19,954.00	17,795.00	19,496.00	22,786.00	23,647.00	
Benefit Payments	(614,842.00)	(587,092.00)	(657,713.00)	(659,285.00)	(642,195.00)	
Change in Total Opeb Liability	<u>(3,634,394.00)</u>	<u>12,297,185.00</u>	<u>(3,229,753.00)</u>	<u>(3,070,352.00)</u>	<u>(2,299,262.00)</u>	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	<u>33,723,153.00</u>	<u>21,425,968.00</u>	<u>24,655,721.00</u>	<u>27,726,073.00</u>	<u>30,025,335.00</u>	
Ending Balance	<u>\$ 30,088,759.00</u>	<u>33,723,153.00</u>	<u>21,425,968.00</u>	<u>24,655,721.00</u>	<u>27,726,073.00</u>	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	466.83%	549.10%	344.84%	395.33%	430.56%	

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period. However, information is only currently available for six years. Additional years will be presented as they become available.

SPECIAL REVENUE FUND

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CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Title I Part A	Teacher & Principals Training Title II - Part A	Title IV	I.D.E.A. Part - B Basic	I.D.E.A. Part - B Preschool	ARP I.D.E.A. Basic	CARES Act Education Stabilization Fund
REVENUES:							
Federal Sources	20,940.03	10,042.91	13,270.40	132,401.80	8,004.31	18,512.00	1,444.35
State Sources							
Local Sources							
Total revenues	20,940.03	10,042.91	13,270.40	132,401.80	8,004.31	18,512.00	1,444.35
EXPENDITURES							
Instruction:							
Salaries of teachers	204.00		3,615.00				
Other salaries for instruction			3,400.00			18,512.00	
Purchased prof. and technical services			5,740.00				
Purchased Property Services				91,492.80			
Other purchased services			399.00		8,004.31		
General supplies							
Total instruction	204.00	-	13,154.00	91,492.80	8,004.31	18,512.00	-
Support services:							
Salaries of teachers	19,262.45		116.40				
Personal services- employee benefits	1,473.58						
Purchased professional & technical services		10,042.91		40,909.00			
Purchased professional - Educational services							
Purchased property services							
Supplies and materials							
Student Activities							1,444.35
Scholarships Awarded							
Total support services	20,736.03	10,042.91	116.40	40,909.00	-	-	1,444.35
Facilities acquisition and const. serv.:							
Instructional equipment							
Non-Instructional equipment							
Total facilities acquisition and construction services	-	-	-	-	-	-	-
Transfer to Charter Schools							
Total expenditures	20,940.03	10,042.91	13,270.40	132,401.80	8,004.31	18,512.00	1,444.35
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1							
Fund Balance, June 30							

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	CRRSA Act - ESSER II	CRRSA Act - Learning Acceleration Grant	CRRSA Act - Mental Health Grant	Total Federal Projects	Municipal Alliance	Agriculture Supply Grant	Student Activities	Scholarship Trust	Local Projects	Total
REVENUES:										
Federal Sources		12,510.13	11,770.00	283,962.61						283,962.61
State Sources	55,066.68				5,271.01	363.30	12,764.14	1.87	18,400.32	18,400.32
Local Sources										
Total revenues	55,066.68	12,510.13	11,770.00	283,962.61	5,271.01	363.30	12,764.14	1.87	18,400.32	302,362.93
EXPENDITURES										
Instruction:										
Salaries of teachers		6,642.75		10,461.75	3,293.36				3,293.36	13,755.11
Other salaries for instruction										
Purchased prof. and technical services			4,380.00	26,292.00						26,292.00
Purchased Property Services				5,740.00						5,740.00
Other purchased services				91,492.80	1,977.65	363.30				91,492.80
General supplies				8,403.31					2,340.95	10,744.26
Total instruction		6,642.75	4,380.00	142,389.86	5,271.01	363.30			5,634.31	148,024.17
Support services:										
Salaries of teachers				19,262.45						19,262.45
Personal services- employee benefits		507.05		2,097.03						2,097.03
Purchased professional & technical services		5,360.33	7,390.00	12,750.33						12,750.33
Purchased professional - Educational services				50,951.91						50,951.91
Purchased property services										
Supplies and materials	4,246.68			5,691.03			13,774.41		13,774.41	5,691.03
Student Activities								100.00	100.00	13,774.41
Scholarships Awarded										100.00
Total support services	4,246.68	5,867.38	7,390.00	90,752.75			13,774.41	100.00	13,874.41	104,627.16
Facilities acquisition and const. serv.:										
Instructional equipment										
Non-instructional equipment	50,820.00			50,820.00						50,820.00
Total facilities acquisition and construction services	50,820.00			50,820.00						50,820.00
Transfer to Charter Schools										
Total expenditures	55,066.68	12,510.13	11,770.00	283,962.61	5,271.01	363.30	13,774.41	100.00	19,508.72	303,471.33
Excess (Deficiency) of Revenues Over (Under) Expenditures							(1,010.27)	(98.13)	(1,108.40)	(1,108.40)
Fund Balance, July 1										7,042.19
Fund Balance, June 30										5,933.79

CAPITAL PROJECTS FUND

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**City of Margate School District
Capital Projects Fund
Summary Statement of Project Expenditures
For the Fiscal Year Ended June 30, 2022**

Project Title/Issue	Original Date	Appropriations	Expenditures to Date		Unexpended Balance June 30, 2022
			Prior Years	Current Year	
Tighe Middle School Rooftop Unit:	2017	587,467.39	587,467.39	-	-
Tighe Middle Asbestos Flooring Removal:	2017	291,599.40	194,491.06	97,108.34	-
Tighe Middle Asphalt repair at Monmouth Ave Playground/L	2017	197,687.16	197,687.16	-	-
Tighe Middle Replacement of Window:	2017	13,805.08	-	13,805.08	-
Repair & Recoat Roofing:	2022	3,668,500.00	-	2,514,068.69	1,154,431.31
HVAC Replacement	2022	1,223,184.00	-	-	1,223,184.00
Alarm Loops	2022	157,781.00	-	157,781.00	-
Flooring Replacement	2022	571,685.00	-	34,555.00	537,130.00
PAC Seating and Flooring Replacer	2022	205,000.00	-	183,697.44	21,302.56
Replacement of Windows	2022	173,850.00	-	-	173,850.00
		\$ 7,090,559.03	979,645.61	3,001,015.55	3,109,897.87

Note: On May 4, 2017, the City of Margate authorized the issuance of debt in the amount of \$1,200,000 for the above projects. As a Type 1 school district these funds are not revenue to the District.

City of Margate School District
(A Component Unit of the City of Margate)
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
For the Year Ended June 30, 2022

Revenues and Other Financing Sources	
State Sources	
SCC Grant	\$ -
Bond proceeds and transfers	<u>6,070,559.03</u>
Total revenue	<u>6,070,559.03</u>
Expenditures and Other Financing Uses	
Purchased professional and technical services	-
Land and improvements	-
Construction Services	3,001,015.55
Equipment Purchases	<u>-</u>
Total expenditures	<u>3,001,015.55</u>
Excess (deficiency) of revenues over (under) expenditures	3,069,543.48
Fund balance - beginning	<u>40,354.39</u>
Fund balance - ending	<u>\$ <u>3,109,897.87</u></u>

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Tighe Middle School Rooftop Units
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate	587,467.39		587,467.39	587,467.39
Total revenue	587,467.39	-	587,467.39	587,467.39
Expenditures and Other Financing Use:				
Purchased professional and technical services	8,730.00		8,730.00	8,730.00
Land and improvements	-		-	
Construction services	578,737.39		578,737.39	578,737.39
Equipment purchases	-		-	
Total expenditures	587,467.39	-	587,467.39	587,467.39
Excess (deficiency) of revenues over (under) expenditures	\$ -	-	-	-

Additional project information:

Project number	N/A
Grant date	N/A
Bond authorization date	3/8/2017
Bond authorized	400,000.00
Bonds issued	400,000.00
Original authorized cost	400,000.00
Additional authorized cost	-
Revised authorized cost	400,000.00
Percentage increase over original cost	-
Percentage completion	1.00
Original target completion date	6/30/2018
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Tighe Middle School Asbestos Flooring Removal
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate	194,491.06	97,108.34	291,599.40	291,599.40
Total revenue	194,491.06	97,108.34	291,599.40	291,599.40
Expenditures and Other Financing Uses				
Purchased professional and technical services	11,280.00		11,280.00	11,280.00
Land and improvements	-		-	
Construction services	183,211.06	97,108.34	280,319.40	280,319.40
Equipment purchases	-		-	
Total expenditures	194,491.06	97,108.34	291,599.40	291,599.40
Excess (deficiency) of revenues over (under) expenditures	\$ -	-	-	-

Additional project information:

Project number	N/A
Grant date	N/A
Bond authorization date	3/8/2017
Bond authorized	332,244.08
Bonds issued	332,244.08
Original authorized cost	332,244.08
Additional authorized cost	-
Revised authorized cost	332,244.08
Percentage increase over original cost	-
Percentage completion	1.00
Original target completion date	6/30/2018
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Tighe Middle School Asphalt Repair and Sidewalk Repair at Monmouth Ave
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate	197,687.16		197,687.16	197,687.16
Total revenue	197,687.16	-	197,687.16	197,687.16
Expenditures and Other Financing Use:				
Purchased professional and technical services	13,556.72		13,556.72	13,620.92
Land and improvements	-		-	
Construction services	184,130.44		184,130.44	184,066.24
Equipment purchases	-		-	
Total expenditures	197,687.16	-	197,687.16	197,687.16
Excess (deficiency) of revenues over (under) expenditures	\$ -	-	-	-

Additional project information:

Project number	N/A
Grant date	N/A
Bond authorization date	3/8/2017
Bond authorized	130,000.00
Bonds issued	130,000.00
Original authorized cost	130,000.00
Additional authorized cost	-
Revised authorized cost	130,000.00
Percentage increase over original cost	-
Percentage completion	1.00
Original target completion date	6/30/2018
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Tighe Middle School Replacement of Windows
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate	40,354.39	(26,549.31)	13,805.08	13,805.08
Total revenue	<u>40,354.39</u>	<u>(26,549.31)</u>	<u>13,805.08</u>	<u>13,805.08</u>
Expenditures and Other Financing Use:				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	
Construction services	-	13,805.08	13,805.08	13,805.08
Equipment purchases	-		-	
Total expenditures	<u>-</u>	<u>13,805.08</u>	<u>13,805.08</u>	<u>13,805.08</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 40,354.39</u>	<u>(40,354.39)</u>	<u>-</u>	<u>-</u>

Additional project information:

Project number	N/A
Grant date	N/A
Bond authorization date	3/8/2017
Bond authorized	90,000.00
Bonds issued	90,000.00
Original authorized cost	90,000.00
Additional authorized cost	-
Revised authorized cost	90,000.00
Percentage increase over original cost	-
Percentage completion	1.00
Original target completion date	6/30/2018
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Repair and Recoat Roofing
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Source				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate		3,668,500.00	3,668,500.00	3,668,500.00
Total revenue	-	3,668,500.00	3,668,500.00	3,668,500.00
Expenditures and Other Financing Use:				
Purchased professional and technical service	-		-	
Land and improvements	-		-	
Construction services	-	2,514,068.69	2,514,068.69	3,668,500.00
Equipment purchases	-		-	
Total expenditures	-	2,514,068.69	2,514,068.69	3,668,500.00
Excess (deficiency) of revenue: over (under) expenditures	\$ -	1,154,431.31	1,154,431.31	-

Additional project information

Project number	N/A
Grant date	N/A
Bond authorization date	4/21/2022
Bond authorized	3,668,500.00
Bonds issued	3,668,500.00
Original authorized cost	3,668,500.00
Additional authorized cost	-
Revised authorized cost	3,668,500.00
Percentage increase over original cost	-
Percentage completed	0.69
Original target completion date	6/30/2024
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
HVAC Replacement
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Source				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate		1,223,184.00	1,223,184.00	1,223,184.00
Total revenue	-	1,223,184.00	1,223,184.00	1,223,184.00
Expenditures and Other Financing Use:				
Purchased professional and technical service	-		-	203,684.00
Land and improvements	-		-	
Construction services	-		-	1,019,500.00
Equipment purchases	-		-	
Total expenditures	-	-	-	1,223,184.00
Excess (deficiency) of revenue: over (under) expenditures	\$ -	1,223,184.00	1,223,184.00	-

Additional project information

Project number	N/A
Grant date	N/A
Bond authorization date	4/21/2022
Bond authorized	1,223,184.00
Bonds issued	1,223,184.00
Original authorized cost	1,223,184.00
Additional authorized cost	-
Revised authorized cost	1,223,184.00
Percentage increase over original cost	-
Percentage completed	-
Original target completion date	6/30/2025
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Alarm Loops
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Source				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate		157,781.00	157,781.00	157,781.00
Total revenue	-	157,781.00	157,781.00	157,781.00
Expenditures and Other Financing Use:				
Purchased professional and technical service	-		-	
Land and improvements	-		-	
Construction services	-	157,781.00	157,781.00	157,781.00
Equipment purchases	-		-	
Total expenditures	-	157,781.00	157,781.00	157,781.00
Excess (deficiency) of revenue: over (under) expenditures	\$ -	-	-	-

Additional project information

Project number	N/A
Grant date	N/A
Bond authorization date	4/21/2022
Bond authorized	157,781.00
Bonds issued	157,781.00
Original authorized cost	157,781.00
Additional authorized cost	-
Revised authorized cost	157,781.00
Percentage increase over original cost	-
Percentage completed	100%
Original target completion date	6/30/2023
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Flooring Replacement
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Source				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate		571,685.00	571,685.00	571,685.00
Total revenue:	-	571,685.00	571,685.00	571,685.00
Expenditures and Other Financing Use:				
Purchased professional and technical service	-		-	
Land and improvements	-		-	
Construction services	-	34,555.00	34,555.00	571,685.00
Equipment purchases	-		-	
Total expenditures:	-	34,555.00	34,555.00	571,685.00
Excess (deficiency) of revenue: over (under) expenditures	\$ -	537,130.00	537,130.00	-

Additional project information

Project number	N/A
Grant date	N/A
Bond authorization date	4/21/2022
Bond authorized	571,685.00
Bonds issued	571,685.00
Original authorized cost	571,685.00
Additional authorized cost	-
Revised authorized cost	571,685.00
Percentage increase over original cost	-
Percentage completed	6%
Original target completion date	6/30/2026
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
PAC Seating and Flooring Replacement
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Source				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate		205,000.00	205,000.00	205,000.00
Total revenue	-	205,000.00	205,000.00	205,000.00
Expenditures and Other Financing Use:				
Purchased professional and technical service	-		-	
Land and improvements	-		-	
Construction services	-	183,697.44	183,697.44	205,000.00
Equipment purchases	-		-	
Total expenditures	-	183,697.44	183,697.44	205,000.00
Excess (deficiency) of revenue: over (under) expenditures	\$ -	21,302.56	21,302.56	-

Additional project information

Project number	N/A
Grant date	N/A
Bond authorization date	4/21/2022
Bond authorized	205,000.00
Bonds issued	205,000.00
Original authorized cost	205,000.00
Additional authorized cost	-
Revised authorized cost	205,000.00
Percentage increase over original cost	-
Percentage completed	90%
Original target completion date	6/30/2024
Revised target completion date	N/A

**City of Margate School District
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Replacement of Windows
From Inception and for the Year Ended June 30, 2022**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Source				
State sources				
Schools Construction Corp (SCC) Grant	\$ -		-	
Bond proceeds and transfers				
City of Margate		173,850.00	173,850.00	173,850.00
Total revenue	-	173,850.00	173,850.00	173,850.00
Expenditures and Other Financing Use:				
Purchased professional and technical service	-		-	
Land and improvements	-		-	
Construction services	-	-	-	173,850.00
Equipment purchases	-		-	
Total expenditures	-	-	-	173,850.00
Excess (deficiency) of revenue: over (under) expenditures	\$ -	173,850.00	173,850.00	-

Additional project information

Project number	N/A
Grant date	N/A
Bond authorization date	4/21/2022
Bond authorized	173,850.00
Bonds issued	173,850.00
Original authorized cost	173,850.00
Additional authorized cost	-
Revised authorized cost	173,850.00
Percentage increase over original cost	-
Percentage completed	-
Original target completion date	6/30/2024
Revised target completion date	N/A

PROPRIETARY FUNDS

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CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Enterprise Funds
Combining Schedule of Net Position
June 30, 2022

G-1

	Food Service	Community Service Programs	2022
ASSETS:			
Current assets:			
Cash and cash equivalents	\$	73,866.66	73,866.66
Interfund Accounts Receivable			-
Accounts Receivable			
State	177.03		177.03
Federal	7,692.38		7,692.38
Other			-
Inventories	1,152.08		1,152.08
Total Current Assets	<u>9,021.49</u>	<u>73,866.66</u>	<u>82,888.15</u>
Fixed Assets:			
Equipment	32,265.00	65,334.00	97,599.00
Accumulated depreciator	(28,788.60)	(64,718.99)	(93,507.59)
Total Fixed Assets	<u>3,476.40</u>	<u>615.01</u>	<u>4,091.41</u>
Total assets	<u>12,497.89</u>	<u>74,481.67</u>	<u>86,979.56</u>
LIABILITIES AND NET POSITION			
Current liabilities			
Accounts payable	-	-	-
Interfund payable	-	-	-
Deferred revenue	-	3,200.00	3,200.00
Total current liabilities:	<u>-</u>	<u>3,200.00</u>	<u>3,200.00</u>
Non-current liabilities			
Compensated absences	450.00		450.00
Total non-current liabilities:	<u>450.00</u>	<u>-</u>	<u>450.00</u>
Total liabilities:	<u>450.00</u>	<u>3,200.00</u>	<u>3,650.00</u>
Net Position			
Invested in capital assets, net of related debt	3,476.40	615.01	4,091.41
Unrestricted net position	8,571.49	70,666.66	79,238.15
Total net position	<u>12,047.89</u>	<u>71,281.67</u>	<u>83,329.56</u>
Total liabilities and net position	<u>\$ 12,497.89</u>	<u>74,481.67</u>	<u>86,979.56</u>

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Enterprise Funds
Combining Schedule of Revenues, Expense
and Changes in Fund Net Position
For the Fiscal Year ended June 30, 2022

G-2

	Community Service Programs				2022
	Food Service	School Plays	Performing Arts	Latchkey	
OPERATING REVENUES:					
Local Sources:					
Daily Sales - Reimbursable Programs	\$ 100.00				100.00
Daily Sales - Non-Reimbursable Programs	10,775.60				10,775.60
Latchkey				71,672.00	71,672.00
School Store					-
Community Recreation		9,821.00	6,620.00		16,441.00
Total Operating Revenues	10,875.60	9,821.00	6,620.00	71,672.00	98,988.60
OPERATING EXPENSES:					
Salaries	38,924.48	4,200.00	660.00	53,827.25	97,611.73
Employee benefits			585.66	4,226.03	4,811.69
Supplies and materials	11,144.95	2,273.03		306.74	13,724.72
Cost of sales - Reimbursable	53,661.24				53,661.24
Cost of sales - Non Reimbursable	6,373.31				6,373.31
Vehicle expense					-
Other Objects	340.00				340.00
Depreciation	3,476.40		857.90		4,334.30
Total operating expenses	113,920.38	6,473.03	2,103.56	58,360.02	180,856.99
Operating income (loss)	(103,044.78)	3,347.97	4,516.44	13,311.98	(81,868.39)
Nonoperating revenues:					
State sources					
State school lunch program	2,041.13				2,041.13
Federal sources					
Nutrition reimbursements	86,896.32				86,896.32
Other Nutrition Programs	1,242.00				1,242.00
Emergency Operational Cost Program	447.63				447.63
USDA commodities					-
Interest Revenues	62.62				62.62
Total nonoperating revenues	90,689.70	-	-	-	90,689.70
Net income (loss) before operating transfers	(12,355.08)	3,347.97	4,516.44	13,311.98	8,821.31
Other Financing Sources/(Uses)					
Cancellation of Interfund					-
Contribution of Fixed Asset					-
Transfer from General Fund	15,669.42				15,669.42
Net Income (Loss)	3,314.34	3,347.97	4,516.44	13,311.98	24,490.73
Unrestricted net position, July 1	8,733.55	41,967.94	(2,615.69)	10,753.03	58,838.83
Unrestricted net position/(deficit) June 30	\$ 12,047.89	45,315.91	1,900.75	24,065.01	83,329.56

City of Margate School District
(A Component Unit of the City of Margate)
Combining Schedule of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 2022

	<u>Food Service</u>	<u>Community Service Programs</u>	<u>Total Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 10,875.60	86,213.00	97,088.60
Payments to employees	(42,874.48)	(63,498.94)	(106,373.42)
Payments to suppliers	(71,523.52)	(2,579.77)	(74,103.29)
Net cash provided by/(used for) operating activities	<u>(103,522.40)</u>	<u>20,134.29</u>	<u>(83,388.11)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	2,094.88		2,094.88
Federal Sources	84,151.57		84,151.57
Operating subsidies and transfers from other fund:	15,669.42		15,669.42
Net cash provided by non-capital financing activities	<u>101,915.87</u>	<u>-</u>	<u>101,915.87</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	-	-	-
Net cash (used) by capital & related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends	62.62	-	62.62
Net cash provided by investing activities:	62.62	-	62.62
Net increase in cash and cash equivalent:	(1,543.91)	20,134.29	18,590.38
Balances—beginning of year	1,543.91	53,732.37	55,276.28
Balances—end of year	<u>-</u>	<u>73,866.66</u>	<u>73,866.66</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income/(loss)	(103,044.78)	21,176.39	(81,868.39)
Adjustments to reconcile operating (loss) to net cash provided by/(used for) operating activities:			
Depreciation expense	3,476.40	857.90	4,334.30
Federal commodities	-	-	-
Decrease in accounts receivable	-	-	-
Decrease in inventories	(4.02)		(4.02)
Increase in deferred revenue		(1,900.00)	(1,900.00)
(Decrease) in deposits payable		-	-
Increase in accounts payable			-
Increase in compensated absences payable	(3,950.00)	-	(3,950.00)
Total adjustments	<u>(477.62)</u>	<u>(1,042.10)</u>	<u>(1,519.72)</u>
Net cash provided by/(used for) operating activities	<u>\$ (103,522.40)</u>	<u>20,134.29</u>	<u>(83,388.11)</u>

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LONG-TERM DEBT

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CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Long-Term Debt
Statement of Obligations Under Capital Leases
June 30, 2022

Series	Date of Inception	Interest Rate Payable	Amount of Original Issue	Amount Outstanding 6/30/2021	Issued Current Year	Retired Current Year	Amount Outstanding 6/30/2022
2020 IC 54 Passenger Bus	8/27/2019	4.39%	99,469 \$	59,687.70		19,047.48	40,640.22
			\$	<u>59,687.70</u>	<u>-</u>	<u>19,047.48</u>	<u>40,640.22</u>

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Statistical Section

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CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Net Position by Component,
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets	\$ 16,325,554.00	15,788,030.00	15,575,378.00	16,690,075.74	15,832,024.45	15,161,519.00	14,934,715.79	14,426,078.06	13,821,318.40	13,114,150.99
Restricted	1,654,071.00	1,536,306.00	1,574,907.00	1,558,415.77	3,578,371.17	3,129,489.11	2,496,801.20	3,350,085.68	3,990,748.98	9,601,065.47
Unrestricted	(325,149.00)	(3,040,979.00)	(3,018,642.00)	(3,195,729.76)	(4,552,599.06)	(4,799,907.60)	(4,087,407.65)	(3,892,419.90)	(3,788,889.05)	(3,173,195.06)
Total governmental activities net position	17,654,476.00	14,283,357.00	14,131,643.00	15,052,761.75	14,857,796.56	13,491,100.51	13,344,109.34	13,883,743.84	14,013,178.34	19,542,021.40
Business-type activities										
Invested in capital assets	-	11,392.00	11,392.00	42,811.85	30,250.05	17,688.25	19,236.72	12,760.01	8,425.71	4,091.41
Unrestricted	72,700.00	74,247.00	74,247.00	64,186.59	57,192.26	58,004.84	77,733.25	61,817.23	50,413.12	79,238.15
Total business-type activities net position	72,700.00	85,639.00	85,639.00	106,998.44	87,442.31	75,693.09	96,969.97	74,577.24	58,838.83	83,329.56
District-wide										
Invested in capital assets	16,325,554.00	15,799,422.00	15,586,770.00	16,732,887.59	15,862,274.50	15,179,207.25	14,953,952.51	14,438,838.07	13,829,744.11	13,118,242.40
Restricted	1,654,071.00	1,536,306.00	1,574,907.00	1,558,415.77	3,578,371.17	3,129,489.11	2,496,801.20	3,350,085.68	3,990,748.98	9,601,065.47
Unrestricted	(252,449.00)	(2,966,732.00)	(2,944,395.00)	(3,131,543.17)	(4,495,406.80)	(4,741,902.76)	(4,009,674.40)	(3,850,602.67)	(3,748,475.93)	(3,093,955.91)
Total district net position	\$ 17,727,176.00	14,368,996.00	14,217,282.00	15,159,760.19	14,945,238.87	13,566,793.60	13,441,079.31	13,958,321.08	14,072,017.17	19,625,350.96

* Net position was restated as of June 30, 2014 as required by implementation of GASB 68.

Source: ACFR Schedule A-1

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Changes in Net Position, Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Instruction										
Regular	4,849,421.00	4,799,609.00	5,287,128.11	5,771,312.82	6,838,306.49	6,899,834.76	6,022,005.10	5,531,522.29	6,389,818.98	5,713,338.23
Special education	928,788.00	861,803.00	1,045,563.92	1,382,030.41	1,923,827.90	2,142,835.19	1,938,192.55	1,914,746.54	2,110,751.47	2,426,039.90
Other special education	165,974.00	170,246.00	331,248.03	512,939.21	715,807.53	778,004.36	720,720.92	640,878.30	207,764.25	553,011.62
Other instruction	83,884.00	90,441.00	90,715.91	94,965.54	87,690.36	210,973.77	218,732.75	181,000.72	187,920.01	230,454.57
Nonpublic school programs										
Support Services:										
Tuition	3,355,148.00	3,165,870.00	3,266,628.62	1,942,699.98	1,684,950.62	1,455,783.91	1,388,149.66	941,161.00	1,206,274.20	991,469.08
Student & instruction related services	1,857,446.00	1,658,039.00	1,952,984.59	3,243,251.92	2,709,939.12	2,669,414.17	2,368,929.44	2,405,538.34	2,766,394.68	2,221,026.46
General administrative services	232,750.00	232,389.00	230,833.58	266,780.42	251,410.44	264,087.56	263,235.32	260,525.62	280,546.62	214,358.00
School administrative services	728,892.50	775,791.00	753,755.53	637,939.19	704,431.94	747,665.78	630,998.92	631,047.42	696,049.35	662,899.52
Administrative information technology	21,973.50	22,213.00	25,344.04	18,366.00	19,100.00	19,864.00	20,658.00	21,484.00	22,344.00	23,238.00
Plant operations and maintenance	1,519,420.50	1,596,355.00	1,683,556.56	1,543,791.64	1,740,391.84	1,964,287.98	1,827,852.27	1,533,578.31	1,933,517.14	1,948,223.36
Pupil transportation	567,160.50	503,149.00	527,558.12	416,894.92	410,980.71	556,452.03	484,351.30	351,818.94	316,316.39	338,147.45
Capital outlay		63,240.00	50,957.00	63,240.00	121,916.72	90,193.65	26,287.96	89,002.12	379,197.42	132,462.59
Total governmental activities expenses	14,310,858.00	13,939,145.00	15,246,274.00	15,894,212.06	17,188,753.67	17,799,397.16	15,900,114.19	14,502,303.60	16,496,894.51	15,454,668.78
Business-type activities:										
Food Service	106,443.00	131,629.00	131,629.00	96,310.11	93,658.55	84,400.07	82,962.14	65,860.83	66,284.30	113,920.38
Community Service Programs	69,436.00	76,603.00	76,603.00	118,496.23	115,381.09	118,035.41	89,945.62	82,753.52	83,162.79	66,936.61
Total business-type activities expense	175,879.00	208,232.00	208,232.00	214,806.34	209,039.64	202,435.48	172,907.76	148,614.35	151,467.09	180,866.99
Total district expenses	14,486,737.00	14,147,377.00	15,454,506.00	16,109,018.39	17,397,793.31	18,001,832.64	16,073,021.95	14,650,917.95	16,648,361.60	15,635,525.77
Program Revenues										
Governmental activities:										
Charges for service	790,963.00	817,996.00	817,996.00	841,256.00	555,536.76	613,500.00	789,397.00	933,613.00	845,138.00	810,365.89
Operating grants and contributions	1,451,961.00	1,139,627.00	1,139,627.00	3,539,580.13	3,723,892.52	2,966,914.02	1,844,575.93	955,598.45	2,203,608.46	6,295,261.48
Total governmental activities program revenues	2,242,924.00	1,957,623.00	1,957,623.00	4,380,836.13	4,279,429.28	3,580,414.02	2,633,972.93	1,889,211.45	3,048,746.46	7,105,627.37
Business-type activities:										
Charges for services										
Food Service	42,088.00	44,596.00	44,596.00	32,116.17	35,143.47	32,783.45	31,982.00	18,906.20	3,108.00	10,875.60
Community Service Programs	105,694.00	101,562.00	101,562.00	106,152.72	110,996.36	101,479.04	94,551.70	65,363.00	69,548.69	86,113.00
Operating grants and contributions	18,741.00	17,845.00	17,845.00	17,331.11	15,310.04	14,826.14	10,152.65	9,818.64	39,367.67	90,627.08
Total business type activities program revenues	166,523.00	164,003.00	164,003.00	155,600.00	161,449.87	149,088.63	136,686.35	94,087.84	112,024.36	189,615.68
Total district program revenues	2,409,447.00	2,121,626.00	2,121,626.00	4,536,436.13	4,440,879.15	3,729,502.65	2,770,659.28	1,983,299.29	3,160,770.82	7,295,243.05

CITY OF MARGATE SCHOOL DISTRICT
Changes in Net Position, Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental activities	(12,067,934.00)	(11,981,522.00)	(13,288,651.00)	(11,513,375.92)	(12,909,324.39)	(14,218,983.14)	(13,266,141.26)	(12,613,092.15)	(13,448,148.05)	(9,349,041.41)
Business-type activities	(9,356.00)	(44,229.00)	(44,229.00)	(59,206.34)	(47,589.77)	(533,446.85)	(36,221.41)	(54,526.51)	(39,442.73)	8,758.69
Total district-wide net expense	<u>(12,077,290.00)</u>	<u>(12,025,751.00)</u>	<u>(13,332,880.00)</u>	<u>(11,572,582.26)</u>	<u>(12,956,914.16)</u>	<u>(14,752,429.99)</u>	<u>(13,302,362.67)</u>	<u>(12,667,618.66)</u>	<u>(13,487,590.78)</u>	<u>(6,340,282.72)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	10,536,409.00	10,511,408.00	10,511,408.00	10,511,408.00	10,511,408.00	10,511,408.00	10,511,408.00	10,498,077.00	10,498,077.00	10,498,077.00
Unrestricted grants and contributions	585,090.00	642,013.00	666,748.00	1,861,335.30	2,063,914.50	2,192,761.47	2,483,199.54	2,511,766.21	2,819,472.66	3,346,715.37
Transportation Fees	20,573.00	-	-	2,467.00	2,948.33	-	-	8,811.52	8,657.10	-
Investment earnings	4,021.00	3,512.00	365,767.00	163,722.80	174,080.79	189,666.12	164,602.55	166,081.92	146,279.80	37,166.61
Miscellaneous income	113,445.00	85,923.00	-	-	-	-	-	-	-	-
Funds received from the City of Margate	-	683.00	-	-	-	-	-	-	-	-
Schools Construction Corporation	-	-	-	-	-	-	-	-	-	-
State of New Jersey, Board of Public Utilities	-	-	-	-	-	-	-	-	-	-
Debt service assessment	(59,899.00)	-	-	(53,686.00)	-	(41,548.50)	(40,000.00)	(32,000.00)	(23,591.13)	(15,669.42)
Special items	(2,880,604.00)	175,726.00	32,965.00	(50,752.43)	(27,992.42)	(41,548.50)	(40,000.00)	(32,000.00)	(23,591.13)	(15,669.42)
Transfers	(53,870.00)	(57,131.00)	(76,140.00)	(50,752.43)	(27,992.42)	(41,548.50)	(40,000.00)	(32,000.00)	(23,591.13)	(15,669.42)
Total governmental activities	<u>8,265,167.00</u>	<u>11,362,134.00</u>	<u>11,500,748.00</u>	<u>12,434,494.67</u>	<u>12,714,359.20</u>	<u>12,852,287.09</u>	<u>13,119,150.09</u>	<u>13,152,726.65</u>	<u>13,448,895.42</u>	<u>13,866,289.56</u>
Business-type activities:										
Investment earnings	39.00	37.00	37.00	31.58	41.22	49.13	116.29	133.78	113.19	62.62
Other adjustments	-	-	-	(29,989.24)	-	-	-	-	-	-
Transfers	53,870.00	57,131.00	76,140.00	104,438.43	27,992.42	41,548.50	40,000.00	32,000.00	23,591.13	15,669.42
Total business-type activities	<u>53,909.00</u>	<u>57,168.00</u>	<u>76,177.00</u>	<u>74,480.77</u>	<u>28,033.64</u>	<u>41,597.63</u>	<u>40,116.29</u>	<u>32,133.78</u>	<u>23,704.32</u>	<u>15,732.04</u>
Total district-wide	<u>8,319,076.00</u>	<u>11,419,302.00</u>	<u>11,576,925.00</u>	<u>12,508,975.44</u>	<u>12,742,392.84</u>	<u>12,893,884.72</u>	<u>13,159,266.38</u>	<u>13,184,860.43</u>	<u>13,472,599.74</u>	<u>13,882,021.60</u>
Change in Net Position										
Governmental activities	(3,802,767.00)	(619,388.00)	(1,787,903.00)	921,118.75	(194,965.19)	(1,366,696.05)	(146,981.17)	539,634.50	747.37	5,517,248.15
Business-type activities	44,553.00	12,939.00	31,948.00	15,274.43	(19,556.13)	(11,749.22)	3,894.88	(22,392.73)	(15,738.41)	24,490.73
Total district	<u>(3,758,214.00)</u>	<u>(606,449.00)</u>	<u>(1,755,955.00)</u>	<u>936,393.18</u>	<u>(214,521.32)</u>	<u>(1,378,445.27)</u>	<u>(143,086.29)</u>	<u>517,241.77</u>	<u>(14,991.04)</u>	<u>5,541,738.88</u>

Source: ACFR Schedule A-2

CITY OF MARGATE SCHOOL DISTRICT
 (A Component Unit of the City of Margate)
 Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted	\$ 1,391,486.00	1,333,520.00	1,246,052.00	1,219,199.07	1,314,120.43	1,329,019.37	1,939,585.81	3,299,530.52	3,661,678.65	3,401,498.61
Assigned	262,585.00	202,786.00	328,855.00	339,216.70	234,652.18	245,794.14	123,968.09	125,353.80	281,673.75	193,633.07
Unassigned	221,382.00	221,490.00	291,408.00	301,957.00	268,318.00	216,908.00	242,821.00	254,494.00	401,318.66	493,170.94
Reserved										
Unreserved										
Total general fund	1,875,453.00	1,757,796.00	1,866,315.00	1,860,372.77	1,817,090.61	1,791,721.51	2,306,374.90	3,679,378.32	4,344,671.06	4,088,302.62
All Other Governmental Funds										
Restricted					1,006,443.28	777,337.80	211,788.65	51,516.62	47,396.58	6,005,933.79
Assigned										
Unreserved, reported in:										
Special revenue fund										
Total all other governmental funds	-	-	-	-	1,006,443.28	777,337.80	211,788.65	51,516.62	47,396.58	6,005,933.79

Source: ACFR Schedule B-1

CITY OF MARGATE SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax levy	\$ 10,536,409.00	10,511,408.00	10,511,408.00	10,511,408.00	10,511,408.00	10,511,408.00	10,511,408.00	10,498,077.00	10,498,077.00	10,498,077.00
Tuition charges	790,963.00	817,996.00	894,536.00	841,256.00	555,536.76	613,500.00	789,397.00	933,613.00	845,136.00	810,365.89
Transportation Fees	20,575.00									
Interest earnings	4,021.00	3,512.00	3,157.00	3,157.00	3,157.00	-				
Other Restricted Miscellaneous Revenues									6,778.46	11,594.91
Miscellaneous	113,445.00	85,923.00	362,610.00	163,032.80	173,872.12	189,666.12	164,602.55	174,893.44	154,936.90	37,166.61
Local sources	22,750.00	22,272.00	22,576.00	19,657.92	1,036,665.58	12,824.39	18,211.94	15,192.27	13,391.12	6,088,989.35
Slate sources	1,821,280.00	1,502,202.00	1,671,934.00	3,565,754.62	2,053,914.50	2,192,761.47	2,483,139.54	2,511,756.21	2,819,472.65	3,346,715.37
Federal sources	193,021.00	257,168.00	582,983.00	244,929.89	232,797.93	249,502.63	222,910.01	201,629.18	366,027.35	272,712.14
Total revenue	13,502,464.00	13,200,481.00	14,049,204.00	15,349,196.23	14,567,351.89	13,769,662.61	14,189,669.04	14,335,161.10	14,703,821.48	21,065,591.27
Expenditures										
Instruction										
Regular instruction	3,650,045.00	3,736,712.00	3,716,924.00	3,728,275.71	3,635,267.26	3,477,260.47	3,356,867.25	3,219,224.12	3,633,178.82	3,561,285.94
Special education instruction	689,544.00	654,142.00	727,694.00	884,343.45	1,011,364.51	1,074,154.88	1,078,583.11	1,110,018.98	1,144,024.62	1,504,131.47
Other special instruction	122,947.00	129,238.00	237,749.00	316,025.22	376,303.06	403,619.18	401,073.37	371,530.67	112,608.00	342,864.18
Other instruction	59,721.00	68,823.00	60,472.00	94,965.54	87,690.36	111,589.69	121,722.40	104,929.94	101,862.45	142,860.58
Nonpublic school programs										
Support Services:										
Tuition	2,398,474.00	2,343,182.00	2,221,230.00	1,892,798.47	1,579,009.13	1,363,059.91	1,306,378.66	881,347.00	1,170,787.20	920,495.08
Student & instruction related services	1,366,897.00	1,261,814.00	1,356,867.00	1,356,716.44	1,424,626.52	1,338,117.02	1,312,718.62	1,394,541.34	1,499,578.12	1,377,024.25
General administrative services	172,345.00	177,121.00	189,133.00	142,442.13	150,767.28	145,067.81	161,755.32	163,356.35	168,496.28	138,965.59
School Administrative services	498,877.00	578,278.00	525,195.00	457,989.59	422,437.86	410,706.86	387,742.14	395,683.16	418,047.19	429,749.39
Administrative Information Technology	16,326.00	16,980.00	17,660.00	18,366.00	19,100.00	19,864.00	20,658.00	21,484.00	22,344.00	23,238.00
Plant operations and maintenance	1,081,835.00	1,200,092.00	1,132,723.00	1,187,824.19	1,133,271.68	1,162,547.70	1,217,890.37	1,045,150.80	1,258,471.83	1,373,788.95
Pupil transportation	415,571.00	361,710.00	355,567.00	285,765.76	267,966.08	335,858.70	334,978.81	240,150.53	222,397.41	252,274.99
Unallocated employee benefits	2,856,647.00	2,538,930.00	2,750,651.00	3,013,085.87	3,260,336.40	3,728,719.34	3,756,744.92	3,740,474.22	3,963,333.75	4,813,997.16
Capital outlay	435,322.00	156,753.00	600,716.00	1,822,200.15	121,916.72	319,299.13	661,690.83	342,724.60	390,359.65	396,083.50
Charter Schools	62,314.00	37,915.00	34,929.00	49,901.51	85,941.49	92,724.00	81,771.00	59,814.00	35,487.00	70,974.00
Total expenditures	13,826,765.00	13,261,690.00	13,897,510.00	15,250,700.03	13,576,198.35	13,982,588.69	14,200,564.80	13,090,429.71	14,140,966.32	15,347,753.08
Excess (Deficiency) of revenues over (under) expenditures	\$ (324,301.00)	(61,209.00)	151,694.00	98,496.20	991,153.54	(212,926.08)	(10,895.76)	1,244,731.39	562,855.16	5,717,838.19

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing sources (uses)										
City of Margate Bond Proceeds		683.00	32,965.00	(53,686.00)						
Cancellation of prior year interfunds										
Schools Construction Corporation										
State of N.J. Board of Public Utilities										
Cancellation of prior year purchase orders										
Insurance & FEMA recoveries for	173,511.00									
Storm Damage	(173,511.00)									
Expenses related to Storm Damage										
Debt service assessment										
Capital leases (non-budgeted)										
Transfers out	(53,870.00)	(57,131.00)	(76,140.00)	(50,752.43)	(27,992.42)	(41,548.50)	(40,000.00)	(32,000.00)	(23,591.13)	(15,669.42)
Total other financing sources (uses)	(53,870.00)	(56,448.00)	(43,175.00)	(104,438.43)	(27,992.42)	(41,548.50)	(40,000.00)	(32,000.00)	(23,591.13)	(15,669.42)
Net change in fund balances	(378,171.00)	(117,657.00)	108,519.00	(5,942.23)	963,161.12	(254,474.58)	(50,895.76)	1,212,731.39	539,264.03	5,702,168.77
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: ACFR Schedule B-2

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Transportation Fees	Rentals	Energy Credits (A)	Reimbursement from City for					Total
					Services Provided	Insurance Refund	Prior Year Refunds	Misc.		
2013	4,021.00			63,562.00	34,852.00	13,652.00	36,901.00			152,988.00
2014	3,512.00			78,720.00		320.00	6,883.00			89,435.00
2015	3,157.00		550.00	55,377.00			64,760.00			365,767.00
2016	2,467.00		1,900.00	127,980.00			33,842.80	241,923.00		166,189.80
2017	2,948.33			109,174.00			64,906.79			177,029.12
2018	3,097.33	4,424.70	5,257.79	102,340.00		42,449.50	32,096.80			189,666.12
2019	6,868.07	23,480.90	3,051.43	104,151.00		3,401.00	23,650.15			164,602.55
2020	8,811.52	44,248.37		102,375.00			19,458.55			174,893.44
2021	8,657.10	27,662.49		99,666.00		1,693.86	17,257.45			154,936.90
2022	4,510.61						32,656.00			37,166.61

(A) - effective with the June 2012 sale, the District changed their method of treating the sale of the solar renewable energy credit. During the 2011 and prior fiscal years, it was the policy of the District to refund the budget appropriation line item for all or a port of the amount of revenue received. It will now be the policy of the District to treat the full amount of funds received as revenue.

Source: District Records

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

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)
2013	55,045,200	3,350,186,600			87,702,200		6,712,000	3,499,646,000	-	909,050	3,500,555,050	0.301	3,865,453,898
2014	61,478,900	3,369,631,300			88,235,000		6,593,300	3,525,938,500	-	632,942	3,526,571,442	0.298	3,875,779,143
2015	60,171,500	3,405,132,100			88,072,800		6,595,200	3,559,971,600	-	635,737	3,560,607,337	0.295	3,931,766,052
2016	60,276,300	3,444,609,200			87,287,100		6,595,200	3,598,767,800	-	618,498	3,599,386,298	0.292	3,974,587,343
2017	62,911,600	3,479,016,100			86,002,200		5,994,100	3,633,924,000	-	-	3,633,924,000	0.289	4,002,252,343
2018	56,505,000	3,526,843,200			85,715,600		5,994,100	3,675,057,900	-	-	3,675,057,900	0.286	4,072,388,998
2019	56,542,300	3,562,826,400			84,611,600		5,822,400	3,709,502,700	-	-	3,709,502,700	0.283	4,144,928,515
2020	55,848,000	3,601,424,000			84,403,300		5,822,400	3,747,197,700	-	-	3,747,197,700	0.280	4,296,344,985
2021	65,661,600	3,641,164,400			84,645,800		5,822,400	3,797,014,200	-	-	3,797,014,200	0.276	4,410,533,789
2022	51,974,300	3,717,077,700			84,000,000		5,822,400	3,858,574,400	-	-	3,858,574,400	0.272	4,834,607,564

Source: District records Tax list summary & Municipal Tax Assesso

property

Note:

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

b Tax rates are per \$100

**CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Direct and Overlapping Property Tax Rates
Rate per \$100 of Assessed Value
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	City of Margate Board of Education			City of Margate			Total Direct and Overlapping Tax Rate
	General	Obligation Debt Service ^b	Total Direct	City of Margate	Local Municipal Library ^c	Atlantic County	
	Basic Rate ^a						
2013	0.301	0.043	0.344	0.601	0.037	0.482	1.464
2014	0.298	0.042	0.340	0.602	0.037	0.481	1.460
2015	0.295	0.043	0.338	0.600	0.037	0.513	1.488
2016	0.293	0.042	0.335	0.613	0.036	0.528	1.512
2017	0.290	0.043	0.333	0.618	0.036	0.578	1.565
2018	0.287	0.042	0.329	0.619	0.036	0.579	1.563
2019	0.284	0.040	0.324	0.618	0.036	0.564	1.542
2020	0.281	0.040	0.321	0.617	0.037	0.573	1.548
2021	0.277	0.038	0.315	0.616	0.038	0.587	1.556
2022	0.272	0.036	0.308	0.617	0.041	0.612	1.578

Source: District Records and Municipal Tax Collector

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

The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable

- a** Rates for debt service are based on each year's requirements
- b** Effective with the 2011 tax year the amount to be raised by taxation to fund municipal free libraries is displayed separately on the tax bill and the municipal tax levy and rate is reduced by this amount. Previously, the library tax was combined with the local tax levy on the tax bill
- c**

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Principal Property Tax Payers,
Current Year and Nine Years Ago
Unaudited

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Taxpayer #1	5,933,700	1	0.15%	5,897,700	1	0.17%
Taxpayer #2	4,964,300	2	0.13%	5,863,900	2	0.17%
Taxpayer #3	4,943,000	3	0.13%	4,542,500	3	0.13%
Atlantic Downbeach Assoc.	4,877,800	4	0.13%	4,348,600	4	
Taxpayer #4	4,639,200	5	0.12%	4,325,000	5	0.12%
Taxpayer #5	4,602,800	6	0.12%	4,111,200	6	0.12%
Taxpayer #6	4,542,400	7	0.12%	4,051,700	7	0.12%
Taxpayer #7	4,367,100	8	0.11%	3,988,700	8	0.11%
Margate Players, L.P.	4,081,200	9	0.11%	3,740,900	9	0.11%
Taxpayer #8	4,051,700	10	0.11%	3,548,000	10	0.10%
Total	47,003,200		1.22%	44,418,200		1.14%

Total Assessed Value 3,500,555,050

3,858,574,400

Source: District ACFR & Municipal Tax Assessor
 District Total Taxable Value

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Property Tax Levies and Collections,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
	Amount	Amount	Percentage of Levy	
2013	10,536,409.00	10,536,409.00	100%	-
2014	10,511,408.00	10,511,408.00	100%	-
2015	10,511,408.00	10,511,408.00	100%	-
2016	10,511,408.00	10,511,408.00	100%	-
2017	10,511,408.00	10,511,408.00	100%	-
2018	10,511,408.00	10,511,408.00	100%	-
2019	10,511,408.00	10,511,408.00	100%	-
2020	10,498,077.00	10,498,077.00	100%	-
2021	10,498,077.00	10,498,077.00	100%	-
2022	10,498,077.00	10,498,077.00	100%	-

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

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

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Income ^a			
2013	10,580,000.00	-	55,255.00	-	-	10,635,255.00	0.02%	1,677	
2014	9,535,000.00	-	33,442.00	-	-	9,568,442.00	0.02%	1,518	
2015	11,792,834.00	-	32,721.00	-	-	11,825,555.00	0.02%	1,892	
2016	10,594,050.60	-	-	-	-	10,594,050.60	0.02%	1,706	
2017	8,673,874.71	-	11,162.78	-	-	8,685,037.49	0.02%	1,414	
2018	8,602,226.72	-	5,686.80	-	-	8,607,913.52	0.02%	1,415	
2019	7,332,226.72	-	-	-	-	7,332,226.72	0.02%	1,230	
2020	6,157,226.72	-	77,934.16	-	-	6,235,160.88	0.02%	1,063	
2021	4,817,226.72	-	59,687.70	-	-	4,876,914.42	0.02%	841	
2022	3,467,226.72	-	40,640.22	-	-	3,507,866.94	0.02%	669	

Source: District ACFR Schedules I-1 and City's Annual Debt Statement

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

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	10,580,000.00	-	10,580,000.00	0.30%	1,669
2014	9,535,000.00	-	9,535,000.00	0.27%	1,512
2015	11,792,834.00	-	11,792,834.00	0.33%	1,887
2016	10,594,050.60	-	10,594,050.60	0.29%	1,706
2017	8,673,874.71	-	8,673,874.71	0.24%	1,412
2018	8,602,226.72	-	8,602,226.72	0.23%	1,414
2019	7,332,226.72	-	7,332,226.72	0.20%	1,230
2020	6,157,226.72	-	6,157,226.72	0.16%	1,050
2021	4,817,226.72	-	4,817,226.72	0.13%	830
2022	3,467,226.72	-	3,467,226.72	0.09%	661

Note: The City of Margate School District is a Type I District. As a result, debt related to the District is an obligation of the City of Margate

- a** See Exhibit NJ J-6 for property tax data.
- b** Population data can be found in Exhibit NJ J-14

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2022
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City of Margate	\$ 38,981,197.55	100.00%	38,981,197.55
Atlantic County	203,998,316.30	13.80%	28,149,992.71
Other debt			
None			
Subtotal, overlapping debt			67,131,190.26
City of Margate School District debt	3,467,226.72	100.00%	3,467,226.72
Total direct and overlapping debt			\$ 70,598,416.98

Sources: City of Margate Finance Officer and Atlantic County Finance Office

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 Margate. 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 government.

The City of Margate School District is a Type I District. As a result, debt related to the District is an obligation of the City of Margate.

a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property value. 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.

CITY OF MARGATE SCHOOL DISTRICT
 (A Component Unit of the City of Margate)
 Legal Debt Margin Information,
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	117,777,260.00	116,088,978.00	115,525,670.00	115,837,145.03	117,100,548.67	118,748,745.31	120,880,132.68	123,746,282.52	127,002,962.45	133,511,512.25
Total net debt applicable to lim	<u>10,580,000.00</u>	<u>9,535,000.00</u>	<u>11,792,834.00</u>	<u>10,594,050.60</u>	<u>8,673,874.71</u>	<u>8,602,226.72</u>	<u>7,332,226.72</u>	<u>6,157,226.72</u>	<u>4,817,226.72</u>	<u>3,467,226.72</u>
Legal debt margin	<u>107,197,260.00</u>	<u>106,553,978.00</u>	<u>103,732,836.00</u>	<u>105,343,094.43</u>	<u>108,426,673.96</u>	<u>110,146,518.59</u>	<u>113,547,905.96</u>	<u>117,589,055.80</u>	<u>122,185,735.73</u>	<u>130,044,285.53</u>
Total net debt applicable to the lim as a percentage of debt limit	9.67%	8.98%	10.21%	9.14%	7.41%	7.24%	6.07%	4.98%	3.79%	2.60%

Average equalized valuation of taxable property	4,450,383,741.67					
Debt limit (3% of Net bonded school deb Legal debt margin	133,511,512.25	3,467,226.72	<u>130,044,285.53</u>			

Equalized valuation basis	4,753,397,847.00	4,348,610,537.00	4,249,142,841.00	<u>13,351,151,225.00</u>		
2021						
2020						
2019						

Source: Abstract of Rates and District Records ACFR Schedule J-1C

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2013	6,340	268,975	42,425	12.30%
2014	6,305	267,490	42,425	10.00%
2015	6,251	265,199	42,425	6.90%
2016	6,211	269,160	43,336	6.50%
2017	6,141	268,331	43,695	5.30%
2018	6,083	269,197	44,254	4.70%
2019	5,959	277,433	46,557	4.40%
2020	5,865	285,438	48,668	3.10%
2021	5,801	293,710	50,631	11.10%
2022	5,247	292,793	55,802	7.20%

Source:

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

b Personal income is calculated by multiplying per capita income by the population

c Per Capita Income US Department of Commerce, Bureau of Economic Analysis,
November 2014

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

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Principal Employers,
Current Year and Nine Years Ago
Unaudited

Employer	2022			2013		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1	0.00%			0.00%
		2	0.00%			0.00%
		3	0.00%			0.00%
		4	0.00%			0.00%
		5	0.00%			0.00%
		6	0.00%			0.00%
		7	0.00%			0.00%
		8	0.00%			0.00%
		9	0.00%			0.00%
		10	0.00%			0.00%
	-		0.00%			-

Source: City of Margate Chief Financial Officer

The City does not maintain the above statistical data

GASB requires this table to present the principal taxpayers for the current year and nine years ago, however information from 2001 was not available.

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	36.00	36.60	37.05	36.82	34.90	33.90	32.29	31.27	33.02	32.49
Special educator	12.00	11.00	11.74	16.56	17.04	18.40	20.17	20.04	16.28	22.43
Other special educator	4.50	2.00	3.48	4.50	4.50	4.50	4.50	4.18	1.43	3.72
Other instruction	-	-	-	-	-	-	-	-	-	-
Support Services										
Student & instruction related service:	19.50	20.10	19.52	17.02	16.17	15.92	11.88	15.07	14.20	13.50
General administrative service	5.00	5.00	5.00	5.00	5.00	3.53	3.53	3.55	3.55	3.13
School administrative service:	2.50	2.50	2.00	2.00	1.75	1.75	1.75	1.75	1.75	1.87
Plant operations and maintenanc	13.00	13.00	13.00	13.00	13.00	14.25	14.25	11.00	11.00	11.00
Food Service	3.00	3.00	3.00	3.00	3.00	3.50	2.40	1.80	1.30	1.80
Total	95.50	93.20	94.79	97.90	95.36	95.75	90.77	88.66	82.53	89.94

GASB requires this table to present the full-time equivalent district employees by function/program for the current year and the previous nine years, however only the last nine years information was available

Source: District Personnel Records

CITY OF MARGATE SCHOOL DISTRICT
 (A Component Unit of the City of Margate)
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

Fiscal Year	Pupil/Teacher Ratio										Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary School	Intermediate School	Middle School						
2013	475	13,820,736.00	29,096.29	9.62%	58	8.9:1	-	10.0:1	473	434	-3.47%	91.75%		
2014	456	13,318,821.00	29,207.94	0.38%	61	9.0:1	-	10.0:1	456	423	-3.57%	92.74%		
2015	430	13,973,650.00	32,496.86	11.26%	60	10.0:1	-	10.0:1	425	406	-6.82%	95.53%		
2016	400	15,301,452.46	38,253.63	17.71%	63	9.0:1	-	9.0:1	399	382	-6.12%	95.74%		
2017	365	13,604,190.77	37,271.76	-2.57%	60	7:1:1	-	7:1:1	366	349	-8.27%	95.36%		
2018	366	14,698,904.56	40,160.94	7.75%	62	8:1	-	7:1	367	351	0.27%	95.64%		
2019	351	13,538,873.97	38,572.29	-3.96%	61	7:1	-	7:1	354	337	-3.59%	95.25%		
2020	361	12,747,705.11	35,312.20	-8.45%	58	8:1	-	7:1	362	349	2.31%	96.41%		
2021	383	13,750,606.67	35,902.37	1.67%	60	8:1	-	8:1	364	369	6.19%	95.97%		
2021	359	14,951,669.58	41,648.10	16.00%	59	9:1	-	8:1	356	335	-7.40%	94.01%		

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
School Building Information
Last Ten Fiscal Years
Unaudited

<u>District Building</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
William H. Ross School										
Square Feet	79,487	79,487	79,487	79,487	79,487	79,487	79,487	79,487	79,487	79,487
Capacity (students) (A)	273	273	273	273	273	273	273	273	273	273
Enrollment	242	239	232	214	195	194	170	177	199	196
Eugene A. Tighe School										
Square Feet	87,818	87,818	87,818	87,818	87,818	87,818	87,818	87,818	87,818	87,818
Capacity (students) (A)	257	257	257	257	257	257	257	257	257	257
Enrollment	233	217	198	186	170	172	181	184	184	163

Number of Schools at June 30, 2022:
 Elementary Schools - 1
 Middle School - 1

Source: District records, ASSA
 (A) - obtained from the District's Final Determination of Long Range Facilities Pl.
 dated November 30, 2005

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Years
Unaudited

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

School Facilities	Project #	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
School Facilities											
Union Avenue Elementary	00251.00	974.00	-	-	-	-	-	-	-	-	-
Eugene A. Tighe Middle	00251.00	130,264.00	137,531.00	136,824.00	163,974.80	118,050.29	126,012.17	144,676.25	132,437.61	185,122.55	177,804.39
William H. Ross III Intermediate	00251.00	194,465.00	231,489.00	205,236.00	245,962.65	216,267.27	234,022.60	268,684.46	245,955.57	343,799.01	330,208.14
Grand Total		<u>325,703.00</u>	<u>369,020.00</u>	<u>342,060.00</u>	<u>409,937.45</u>	<u>334,317.56</u>	<u>360,034.77</u>	<u>413,360.70</u>	<u>378,393.18</u>	<u>528,921.56</u>	<u>508,012.53</u>

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Insurance Schedule
June 30, 2022
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy		
Property - Blanket Building & Contents	250,000,000	5,000.00
Extra Expense - Blanket	5,000,000	5,000.00
Property Extensions of Coverage		
Debris Removal	250,000	
Food Spoilage	50,000	
Miscellaneous Property	100,000	1,000.00
Outside Signs (\$2,500 maximum per item)	10,000	1,000.00
Newly Acquired Property (Buildings and Contents, each		
Real Property	250,000	
Personal Property	100,000	
Outdoor Property		
Trees, Shrubs and Plants	10,000	
Max per item	500	
Accounts Receivable	100,000	
Pollution Clean-up	100,000	5,000.00
Valuable Papers and Records	5,000,000	500.00
School Music Extension		
Instruments	100,000	
Uniforms	25,000	
EDP Including Software	2,500,000	5,000.00
Miscellaneous School Property	250,000	
Camera & Audio Visual Equipment	10,000	1,000.00
Contractor's Equipment	250,000	10,000.00
Utility Services Direct Damage	250,000	5,000.00
Earthquake	5,000,000	250,000.00
Additional Flood Coverage	5,000,000	50,000.00
Flood Insurance Zone A or V		
Per Building	1,000,000	500,000.00
Per Contents	1,000,000	500,000.00
Flood Insurance Zone B		
Per Building	2,000,000	100,000.00
Per Contents	2,000,000	100,000.00
Boiler and Machinery		
Property Damage	100,000,000	1,000.00
Blanket Business Income/Extra Expense	1,000,000	5,000.00
Ammonia Contamination	100,000,000	
Consequential Damage	100,000,000	
Hazardous Substance	250,000	
Service Interruption (Direct Damage	100,000	
Ordinance or Law	250,000	
School Board Legal Liability	5,000,000	10,000.00

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Insurance Schedule
June 30, 2022
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Crime Insurance		
Money and Securities	50,000	1,000.00
Computer Fraud	50,000	1,000.00
Forgery or Alteration	50,000	1,000.00
Commercial General Liability Coverage		
Each Occurrence	1,000,000	
General Aggregate	2,000,000	
Personal and Advertising Injury	1,000,000	
Damage to Premises	1,000,000	
Products and Completed Operations	2,000,000	
Medical Expense (any one person)	10,000	
Employee Benefits Liability	1,000,000	1,000.00
Title 18A	100,000	
Electronic Data	1,000,000	
Commercial Automotive Liability		
Combined Single Limit	1,000,000	
Medical Payments - each person	5,000	
Comprehensive and Collision	Statutory	1,000.00
Umbrella Policy		
Umbrella Policy, each occurrence/annual aggregate	5,000,000	10,000.00
Federal Flood		
Union Avenue School	500,000	5,000.00
Eugene A. Tighe School	500,000	5,000.00
William H. Ross School	500,000	5,000.00
Statutory Bonds		
Position Bond Board Secretary	100,000	
Position Chief School Administrator	200,000	
Student Accident Policy		
School Time Compulsory Student Accident - per injury	1,000,000	

Source: District Records.

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Single Audit Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-1

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

The Honorable President and
Members of the Board of Education
City of Margate School District
County of Atlantic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Margate School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Margate School District's basic financial statements, and have issued our report thereon dated March 10, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Margate School District's 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 City of Margate School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Margate School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement 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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla

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Certified Public Accountant
Licensed Public School Accountant
No. 2426

March 10, 2023



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE), AND NEW JERSEY OMB'S CIRCULAR 15-08

Honorable President and
Members of the Board of Education
City of Margate School District
County of Atlantic, New Jersey

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the City of Margate School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the City of Margate School District's major federal and state programs for the year ended June 30, 2022. The City of Margate School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Margate School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal & State Program

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Margate School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of Margate School District's compliance with the requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to its Federal and State programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Margate School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Margate School District's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Margate School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Margate School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of the City of Margate School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

Report on Internal Control Over Compliance

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

material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

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No. 2426

March 10, 2023

CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Program or Award Amount	Balance June 30, 2021	Employee Amount	Cash Received	Budgetary Expenditures			Balance at June 30, 2022																
									Pass Through	Source	Direct	Total	(MEX) Passed Through to Sub-Recipients	(Accounts Receivable)	Unearned Revenue	Due to Grantor												
U.S. Department of Agriculture																												
Pass-through State Department of Education																												
Emergency Food Assistance Program	10.555	221N1304N1099	N/A	7/1/21 - 6/30/22	86,896.32	\$ (3,298.00)	-	79,203.94	(86,896.32)	-	-	(7,692.38)	-	-														
National School Lunch Program	10.555	211N1304N1099	N/A	7/1/20 - 6/30/21	37,666.80	-	3,258.00	3,258.00	-	-	-	-	-	-														
Emergency Operational Cost Program	10.555	2022FH170341		7/1/21 - 6/30/22	447.63	-	447.63	447.63	(447.63)	-	-	-	-	-														
Administrative Costs	10.555	2022S8300841		7/1/21 - 6/30/22	628.00	-	628.00	628.00	(628.00)	-	-	-	-	-														
P-EBT Administrative Cos	10.648	2022S8300841		7/1/21 - 6/30/22	628.00	-	628.00	628.00	(628.00)	-	-	-	-	-														
Total U.S. Department of Agriculture																												
U.S. Department of Education																												
Special Revenue Fund																												
Passed-through State Department of Education																												
Every Student Succeeds Act (E.S.S.A.) Title I, Part A	84.010	SC10A210030		7/1/21 - 9/30/22	26,205.00	(6,139.27)	21,124.00	21,124.00	(20,940.03)	-	-	-	183.97	-														
Every Student Succeeds Act (E.S.S.A.) Title II, Part A, Teachers & Principals Training	84.367A	S367A210029		7/1/21 - 9/30/22	10,180.00	-	9,798.00	9,798.00	(10,045.91)	-	-	(260.91)	-	-														
Every Student Succeeds Act (E.S.S.A.) Title II, Part A, Teachers & Principals Training	84.424	S424A200031		7/1/20 - 9/30/21	11,540.00	(1,984.00)	1,984.00	1,984.00	-	-	-	-	-	-														
Every Student Succeeds Act (E.S.S.A.) Title IV	84.424	S424A210031		7/1/20 - 9/30/21	17,370.00	(10,227.63)	10,227.63	10,227.63	(13,270.40)	-	-	(8,068.40)	-	-														
Subtotal Every Student Succeeds Act																												
Every Student Succeeds Act (E.S.S.A.) Title I, Part B - Basic	84.027	H027A210100	FT05	7/1/21 - 9/30/22	141,224.00	(9,408.75)	128,809.00	128,809.00	(132,401.80)	-	-	(3,592.80)	-	-														
Every Student Succeeds Act (E.S.S.A.) Title I, Part B - Basic	84.027	H027A200100	FT05	7/1/20 - 9/30/21	131,915.00	-	9,408.75	9,408.75	-	-	-	-	-	-														
Every Student Succeeds Act (E.S.S.A.) Title I, Part B - Basic	84.73X	H173X210114		7/1/21 - 9/30/22	1,580.00	-	16,512.00	16,512.00	(16,512.00)	-	-	-	-	-														
Every Student Succeeds Act (E.S.S.A.) Title I, Part B - Preschool	84.173	H173A210114	FT05	7/1/21 - 9/30/22	8,592.00	(8,135.01)	120.00	120.00	(8,004.31)	-	-	(7,884.31)	-	-														
Every Student Succeeds Act (E.S.S.A.) Title I, Part B - Preschool	84.173	H173A200114	FT05	7/1/20 - 9/30/21	14,473.00	(7,543.76)	8,135.01	8,135.01	(158,916.11)	-	-	(11,477.11)	-	-														
Subtotal Every Student Succeeds Act																												
CARSA Act - Education Stabilization Fund	84.425D	S425D200027		3/13/20-9/30/22	48,451.00	(0.65)	1,446.00	1,446.00	(1,444.35)	-	-	0.00	-	-														
CARSA Act - ESSER II	84.425D	S425D200027		3/13/20-9/30/23	188,106.00	(101,504.82)	138,771.62	138,771.62	(55,066.68)	-	-	(16,799.68)	-	-														
CARSA Act - Learning Acceleration Grant	84.425D	S425D200027		3/13/20-9/30/23	25,000.00	-	7,173.00	7,173.00	(12,510.13)	-	-	(5,337.13)	-	-														
CARSA Act - Mental Health Grant	84.425D	S425D200027		3/13/20-9/30/23	45,000.00	-	9,980.00	9,980.00	(11,770.00)	-	-	(2,880.00)	-	-														
Total Special Revenue Fund																												
Total Federal Financial Award																												
<table style="width:100%; border:none;"> <tr> <td style="width:60%;"></td> <td style="text-align:right;">\$</td> <td>(18,350.90)</td> <td>(17,543.76)</td> <td>(101,505.27)</td> <td>(137,399.93)</td> <td>(140,857.93)</td> <td>-</td> <td>461,084.85</td> <td>(372,546.56)</td> <td>(62,905.61)</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </table>															\$	(18,350.90)	(17,543.76)	(101,505.27)	(137,399.93)	(140,857.93)	-	461,084.85	(372,546.56)	(62,905.61)	-	-	-	-
	\$	(18,350.90)	(17,543.76)	(101,505.27)	(137,399.93)	(140,857.93)	-	461,084.85	(372,546.56)	(62,905.61)	-	-	-	-														

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

**CITY OF MARGATE SCHOOL DISTRICT
(A Component Unit of the City of Margate)
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021		Adjustments/ of Prior Year's Balances	Balance at June 30, 2022		MEMO	
				Deferred Revenue/ (Accounts Receivable)	Due to Grantor		Unearned Revenue	Due to Grantor	Budgetary Receivable	Consulative Total Expenditures
State Department of Education General Fund										
Categorical Special Education Aid	22-485-034-5120-089	7/1/21-6/30/22	314,672.00							314,672.00
Categorical Security Aid	22-485-034-5120-084	7/1/21-6/30/22	43,782.00							43,782.00
Categorical Transportation Aid	22-485-034-5120-044	7/1/21-6/30/22	130,684.00							130,684.00
Extraordinary Aid	21-485-034-5120-014	7/1/20-6/30/21	130,684.00	(130,684.00)						130,684.00
Reimbursed Non-Public Transportation Aid	22-485-034-5120-044	7/1/21-6/30/22	84,612.00			(84,612.00)				84,612.00
Reimbursed Non-Public Transportation Aid	22-485-034-5120-014	7/1/21-6/30/22	14,120.00	(12,250.00)						14,120.00
Reimbursed TPAF Social Security Contributions	22-485-034-5094-003	7/1/21-6/30/22	401,701.37			(14,120.00)				401,701.37
On-Behalf TPAF Pension Contributions	22-485-034-5094-002	7/1/21-6/30/22	1,887,798.00			(1,887,798.00)				1,887,798.00
On-Behalf TPAF Post-Retirement Medical Contribution	22-485-034-5094-001	7/1/21-6/30/22	441,066.00			(441,066.00)				441,066.00
On-Behalf TPAF Long-Term Disability Insurance Contribution	22-485-034-5094-004	7/1/21-6/30/22	441,066.00			(441,066.00)				441,066.00
Total General Fund			4,065.00	(142,891.00)	-	(3,345,921.37)	-	44,106.00	-	1,156,643.37
Enterprise Fund:										
State Department of Education (State Share)	22-100-010-3350-023	7/1/21-6/30/22	2,041.13							2,041.13
National School Lunch Program (State Share)	21-100-010-3350-023	7/1/20-6/30/21	1,700.87	(230.78)		(177.03)				1,700.87
Total Enterprise Fund			3,742.00	(230.78)	-	(2,041.13)	-	-	-	3,742.00
Total State Financial Assistance			7,807.00	(143,121.78)	-	(3,347,962.50)	-	44,106.00	-	1,162,385.37
Less: On-Behalf Payments										
On-Behalf TPAF Pension Contributions	22-485-034-5094-002					(1,887,798.00)				
On-Behalf TPAF Post-Retirement Medical Contribution	22-485-034-5094-001					(441,066.00)				
On-Behalf TPAF Long-Term Disability Insurance Contribution	22-485-034-5094-004					(405.00)				
Total On-Behalf Payments						(2,329,269.00)				
Total State Financial Assistance			7,807.00	(143,121.78)	-	(1,017,793.50)	-	44,106.00	-	1,162,385.37

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

CITY OF MARGATE SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF MARGATE)
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2022

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations* and NJ OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

See the following schedule and Note 1(D) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue and food service funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

CITY OF MARGATE SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF MARGATE)
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2022

	<u>General fund</u>	<u>Food service fund</u>	<u>Total</u>
State Assistance:			
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of State Financial Assistance	\$ 3,345,021.37	2,041.13	3,347,062.50
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	45,801.00		45,801.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(44,107.00)		(44,107.00)
Total State revenue as reported on the statement of revenues, expenditures and changes in fund balances	<u>\$ 3,346,715.37</u>	<u>2,041.13</u>	<u>3,348,756.50</u>

CITY OF MARGATE SCHOOL DISTRICT
(A COMPONENT UNIT OF THE CITY OF MARGATE)
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2022

	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
Federal Assistance:			
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of Federal Awards	283,962.61	88,585.95	372,548.56
Difference - budget to "GAAP" Grant accounting budgetary basis differs from "GAAP" in that encumbrances are recognized as expenditures, and the related revenue is recognized.	(11,250.47)		(11,250.47)
Total Federal revenue as reported on the statement of revenue, expenditures, and changes in fund balance	<u>272,712.14</u>	<u>88,585.95</u>	<u>361,298.09</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

The amounts reported as OPEB and TPAF Pension Contributions represents the amount paid by the State on behalf of the district for the year ended June 30, 2022. 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, 2022.

**CITY OF MARGATE SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

K-6

Part I -- Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
1) Material weakness(es) identified?	_____ yes	_____ X _____	no
2) Significant deficiency(ies) identified	_____ yes	_____ X _____	no
Noncompliance material to financial statements noted?	_____ yes	_____ X _____	no

Federal Awards Section

Not Applicable

Internal Control over major programs:			
1) Material weakness(es) identified?	_____ yes	_____ _____	no
2) Significant deficiency(ies) identified	_____ yes	_____ _____	no
Type of auditor's report on compliance for major programs	_____		
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Uniform Guidance	_____ yes	_____ _____	no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar threshold used to distinguish between Type A and Type B programs:

Auditee qualified as low-risk auditee?	_____ yes	_____ no	_____ n/a
--	-----------	----------	-----------

**CITY OF MARGATE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part I -- Summary of Auditor's Results

State Awards Section

Internal Control over major programs:

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

2) Significant deficiency(ies) 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 NJ OMB Circular 15-08?

_____ yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	State Aid Cluster: _____
<u>22-495-034-5120-089</u>	<u>Categorical Special Education Aid</u>
<u>22-495-034-5120-084</u>	<u>Categorical Security Aid</u>
<u>22-495-034-5120-085</u>	<u>Adjustment Aid</u>
_____	_____
_____	_____
_____	_____
_____	_____

Dollar threshold used to distinguish between Type A and Type B programs:

_____ \$750,000 _____

Auditee qualified as low-risk auditee?

 X yes _____ no _____

**CITY OF MARGATE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 2 -- Schedule of Financial Statement Findings

None

Part 3 – Federal Awards and State Financial Assistance Findings and Questioned Costs

None

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

STATUS OF PRIOR YEAR FINDINGS

None