

**Annual Comprehensive
Financial Report**

of the

City of Somers Point Board of Education

Somers Point, New Jersey

For the Fiscal Year Ended June 30, 2022

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Introductory Section



SOMERS POINT SCHOOL DISTRICT

121 West New York Avenue, Somers Point, New Jersey

609-927-2053 ~ www.sptsd.org

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Mary Conroy

Business Administrator/ Board Secretary
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Director of Curriculum & Special Projects
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March 3, 2023

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

Dear Board Members:

The annual comprehensive financial report of the City of Somers Point School 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. 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 and account groups 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 (ACFR) 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 general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, OMB Circular 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, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The City of Somers Point School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The City of Somers Point Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2021-2022 fiscal year with an enrollment of 790, which is 16 students less than the



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previous year's enrollment (count includes out-of-district placements as well as Pre-3 and Pre-4-Year-old students).

The following details the changes in the student enrollment of the District over the last seven years.

Fiscal Year	Student Enrollment	Percent Change
2021-2022	790	-1.99%
2020-2021	806	-11.63%
2019-2020	853	-3.60%
2018-2019	884	-5.00%
2017-2018	924	-1.02%
2016-2017	944	-4.00%
2015-2016	963	-1.00%

2. ECONOMIC CONDITION AND OUTLOOK

The Somers Point School District, along with many districts in the area, continues to feel the impact of the closing of casinos in the Atlantic City area. As a result, enrollments are down, and the number of children qualifying for free and reduced lunch is close to 52%.

Costs to meet increases of students with special needs are also on the rise. We now have four self-contained classrooms. The Special Services Department, along with the Superintendent and Board have made it a goal to bring as many students back into the district. This has proven to be most cost effective, as well as educationally prudent for our students.

3. MAJOR INITIATIVES

The Somers Point Board of Education focused on three major initiatives during the 2021/2022 school year:

1. The continued Implementation of programs to address issues related to climate and culture in the school district.



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2. Continuation of facility upgrades
3. Addressing closing the gap of instruction through MTSS and targeted intervention

4. INTERNAL ACCOUNTING CONTROLS

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District's 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 City of Somers Point School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2021.

6. ACCOUNTING SYSTEM AND REPORTS

The City of Somers Point School District's accounting records reflect accounting principals as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the



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District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

7. CASH MANAGEMENT

The investment policy of the City of Somers Point School 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 requires it to deposit public funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT

Our Board of Education is a member of the Atlantic and Cape May Counties School Business Officials Joint Insurance Funds (ACCASBOJIF). This Fund was formed under the provision of N.J.S.A. 18A:18B1-10.

The ACCASBOJIF provides members with a long-term alternative to the conventional insurance marketplace and is a means of stabilizing the otherwise cyclical nature of insurance expenditures. The Fund provides the following coverage:

1. Property, including buildings, contents, inland marine, crime, boiler and machinery, and auto physical damage; as well as premise/pollution insurance
2. General Liability, including school board legal liability
3. Automobile Liability
4. Workers' Compensation

The Fund provides coverage to its members either directly or through the commercial insurance market, through one or more of the following vehicles: excess insurance, reinsurance or an excess property and casualty joint insurance fund.

The Fund's Mission Statement is as follows: "The ACCASBOJIF is committed to uniting local school districts in a joint effort to better manage their risks and assure fiscal stability by providing cost-effective, comprehensive insurance coverage and minimizing losses through pro-active membership involvement in claims management and loss prevention activities."



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Fidelity bonds are covered through an outside insurance carrier as required by the state statutes.

9. OTHER INFORMATION

A) Independent Audit - State statutes require an annual audit by independent registered municipal accountants. The accounting firm of Ford-Scott, and Associates, L.L.C., CPAs, is appointed by the Board on an annual basis. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, OMB Circular Uniform Guidance and NJ OMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the financial statements and combining the 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.

10. ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the City of Somers Point Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district, while at the same time, striving to provide the children of Somers Point with the highest quality education possible and contributing full support to the development and maintenance of our financial operation.

Sincere appreciation is offered to the business office staff for their knowledge and continued support in the various business elements and functionalities within the educational environment. Each staff member of the business office proved dedication and support to the district throughout this year.

Respectfully submitted,

Michelle CarneyRay-Yoder

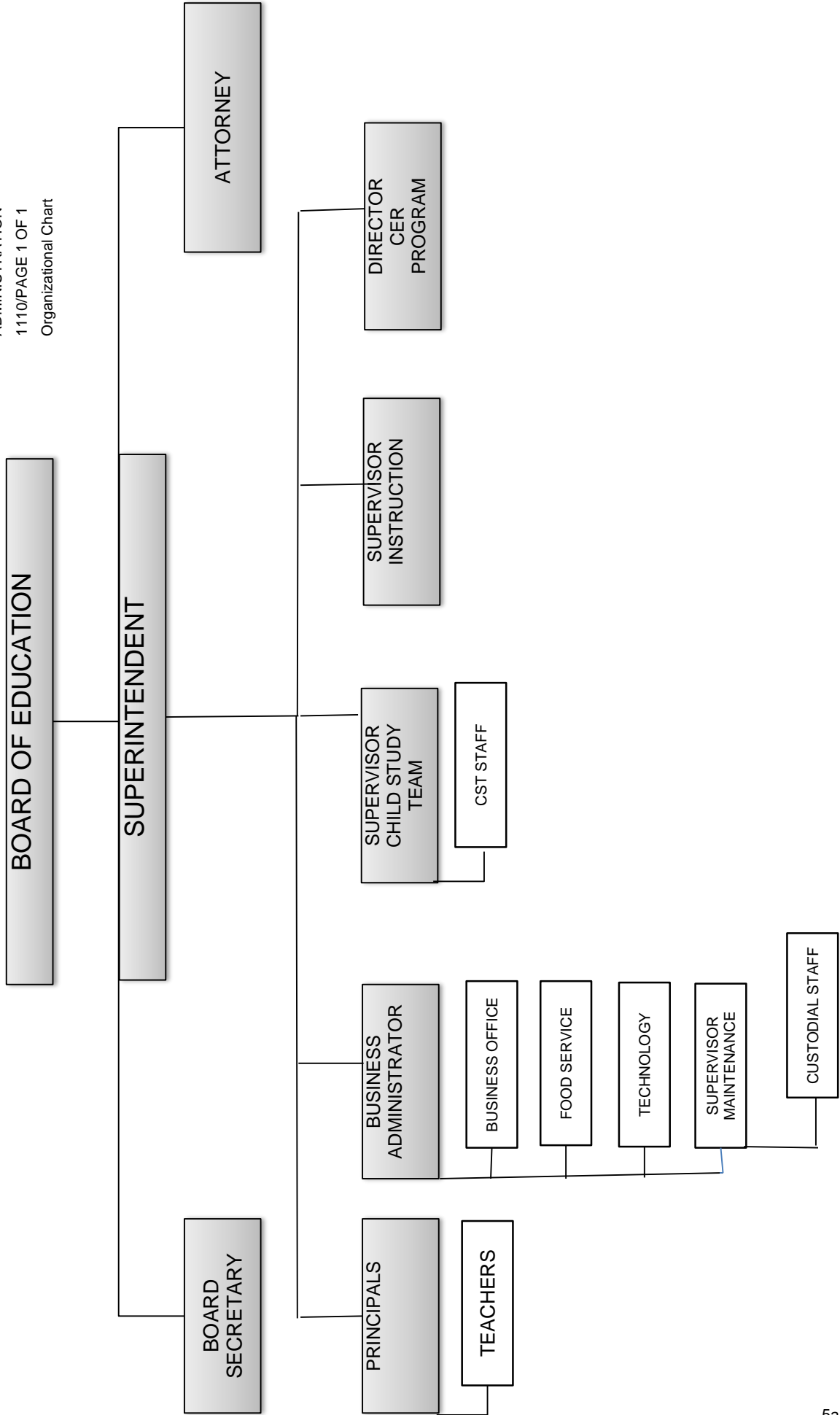
Michelle CarneyRay-Yoder, Ed. D.
Superintendent of Schools

Mary Conroy

Mary Conroy
Business Administrator / Board Secretary

1110 ORGANIZATIONAL CHART

ADMINISTRATION
1110/PAGE 1 OF 1
Organizational Chart



SOMERS POINT SCHOOL DISTRICT
COUNTY OF ATLANTIC, NEW JERSEY

CURRENT ROSTER OF OFFICIALS

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Staci Endicott, President	2025
Heather Samuelson, Vice President	2024
John Conover	2024
Dr. Kathleen Dolton	2023
Charles Haberkorn	2024
Dr. Alice Myers	2025
Michael Sweeder	2023
Stacie Brookbank	2023
Karen Tomasello	2025

OTHER OFFICIALS

Michelle CarneyRay-Yoder, Ed.D., Superintendent

Julie Gallagher, Business Administrator/ Board Secretary - Resigned effective 2/17/23

Mary Conroy, Business Administrator/ Board Secretary

**SOMERS POINT SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

ARCHITECT

Regan Young England Butera
456 High Street,
Mt Holly, NJ 08060

AUDIT FIRM

Ford, Scott, & Associates, L.L.C.
Certified Public Accountants
1535 Haven Avenue
Ocean City, NJ 08226-0538

ATTORNEY

Cooper Levenson
1125 Atlantic Avenue
Atlantic City, New Jersey 08401

BOND COUNSEL

Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center, Suite 900
Woodbridge, NJ 07095

RISK MANAGEMENT CONSULTANT

Dennis Brown
Glenn Insurance Agency
500 East Absecon Boulevard
Absecon, NJ 08201

OFFICIAL DEPOSITORY

Republic Bank
199 New Road
Somers Point, NJ 08244

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Financial Section



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 Somers Point School District
County of Atlantic
Somers Point, 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 Somers Point 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 Somers Point 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 Somers Point 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 Somers Point 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 Somers Point 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 3, 2023, on our consideration of the City of Somers Point 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 Somers Point 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

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

March 3, 2023

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Required Supplementary Information – Part I

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED**

The discussion and analysis of Somers Point School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- In total, net position increased \$839,954.66, which represents a 10% increase from 2021.
- General revenues accounted for \$19,646,261.28 of total revenue or 77% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$5,757,512.80 or 23% of total revenues of \$25,403,774.08.
- Total assets of governmental activities increased by \$437,345.49 as cash and cash equivalents decreased by \$236,855.17, receivables increased by \$498,184.34, inventory increased \$599.75, right to use leased assets increased \$6,124.76 and capital assets increased by \$169,291.81.
- The School District had \$24,563,819.42 in expenses; only \$5,757,512.80 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$19,646,261.28 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$20,636,319.25 in revenues and \$21,079,018.67 in expenditures. The General Fund's fund balance decreased \$445,699.42 from 2021.

Using this Annual Comprehensive Financial Report (ACFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of Somers Point School District, the General Fund is by far the most significant fund.

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**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District, as a whole looks at all financial transactions and asks the question, "How did we do financially during 2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all position and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Notes to the Financial Statements

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

The School District as a Whole

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

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

Table 1 provides a summary of the School District's net position for 2022 and 2021.

**Table 1
Net Position**

	<u>2022</u>	<u>2021</u>
Assets		
Current and Other Assets	\$ 5,314,946.33	5,046,892.65
Capital Assets	18,051,350.24	17,882,058.43
Total Assets	<u>23,366,296.57</u>	<u>22,928,951.08</u>
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	185,826.00	332,451.00
Liabilities		
Long-Term Liabilities	11,684,837.12	13,092,894.87
Other Liabilities	1,288,788.02	516,264.44
Total Liabilities	<u>12,973,625.14</u>	<u>13,609,159.31</u>
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	1,644,903.00	1,558,603.00
Net Position		
Invested in Capital Assets, Net of Debt	9,178,350.24	8,329,058.43
Restricted	3,515,838.66	4,238,238.94
Unrestricted	(3,760,594.47)	(4,473,657.60)
Total Net Position	<u>\$ 8,933,594.43</u>	<u>8,093,639.77</u>

The District's combined net position was \$8,933,594.43 on June 30, 2022. This was a 10% increase from the prior year.

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**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Table 2 shows changes in net position for fiscal year 2022 and 2021.

**Table 2
Changes in Net Position**

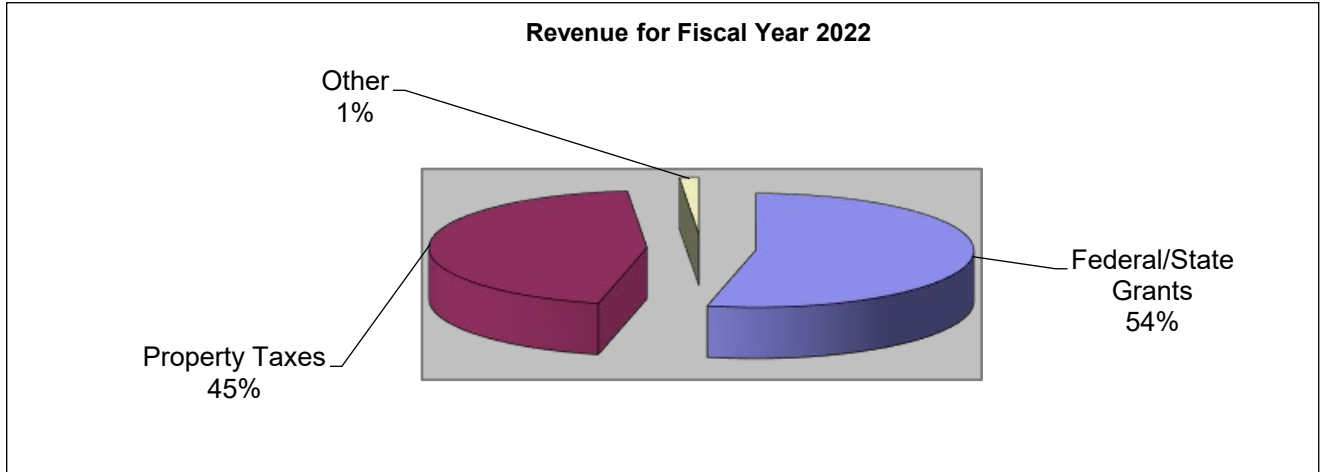
	<u>2022</u>	<u>2021</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 328,525.62	310,238.89
Operating Grants and Contributions	5,428,987.18	7,251,199.68
General Revenues:		
Property Taxes	11,144,954.00	11,145,265.00
Grants and Entitlements	8,471,075.09	8,421,958.12
Other	30,232.19	77,679.18
Total Revenues	<u>25,403,774.08</u>	<u>27,206,340.87</u>
Program Expenses		
Instruction	13,584,147.74	15,405,380.11
Support Services:		
Tuition	229,397.83	254,175.74
Related Services - Pupils and Instructional Staff	5,081,307.76	4,718,026.59
General Administration, School Administration	1,468,358.82	1,440,212.55
Maintenance of Facilities	2,231,472.00	460,118.82
Pupil Transportation	431,895.22	260,237.01
Business and Other Support Services	561,564.10	609,992.43
Interest on Debt	297,449.00	319,116.00
Food Service Program	507,724.04	355,769.01
Special Items	170,502.91	-
Total Expenses	<u>24,563,819.42</u>	<u>23,823,028.26</u>
Increase/(Decrease) in Net Position	<u>\$ 839,954.66</u>	<u>3,383,312.61</u>

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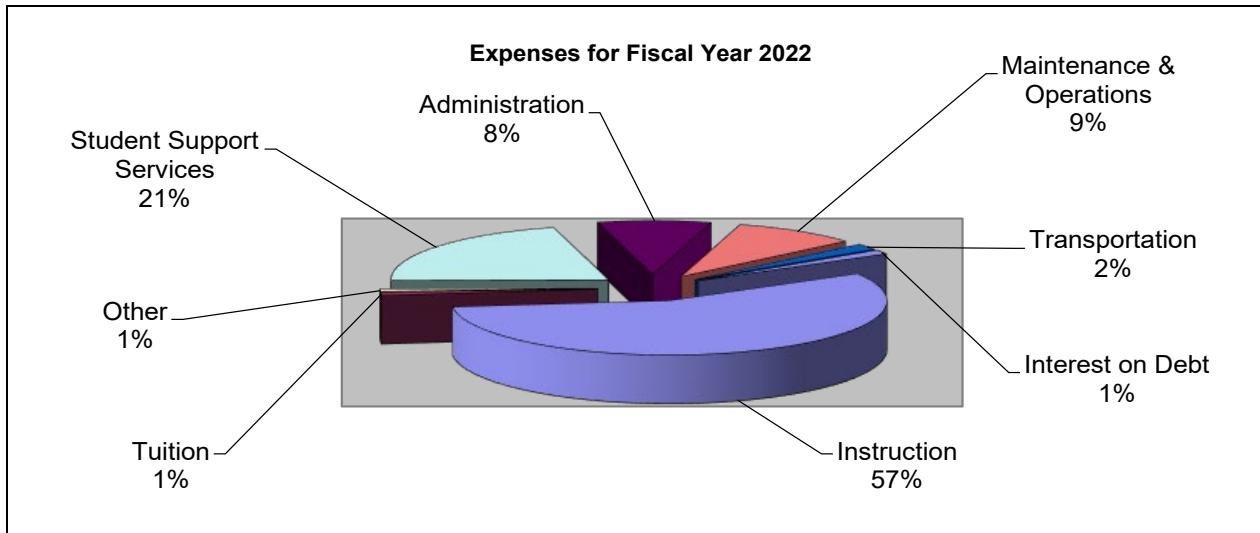
**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Governmental Activities

The District's total revenues were \$24,771,899.66 for the year ended June 30, 2022. Property taxes made up 45 percent of revenues for governmental activities for the City of Somers Point School District for fiscal year 2022. Federal, state, and local grants accounted for 54 percent of the revenue. Local revenue and charges for service make up 1 percent of the revenue.



The total cost of all program and services was \$24,056,095.38. Instruction comprises 57 percent of District expenses.



**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

Business-Type Activities

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

- Revenues exceeded expenses before investment income by \$123,761.76.
- Charges for services represent \$1,259.58 of revenue. This represents amounts paid by patrons for daily food service.
- For the food service operation, federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$630,226.22.

Governmental Activities

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

Table 3

	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>
Instruction	\$ 13,584,147.74	10,226,812.97	15,405,380.11	10,584,359.21
Support Services:				
Tuition	229,397.83	229,397.83	254,175.74	254,175.74
Pupils and Instructional Staff	5,081,307.76	4,231,615.29	4,718,026.59	3,354,827.77
General Administration, School				
Administration, Business				
Operations and Maintenance				
of Facilities	4,261,394.92	3,567,034.16	2,510,323.80	1,878,234.06
Pupil Transportation	431,895.22	431,895.22	260,237.01	260,237.01
Interest and Fiscal Charges	297,449.00	72,810.00	319,116.00	92,319.00
Total Expenses	<u>\$ 23,885,592.47</u>	<u>18,759,565.47</u>	<u>23,467,259.25</u>	<u>16,424,152.79</u>

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

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

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

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

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

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

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

"Other" includes special schools and unallocated depreciation.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$24,261,031.66 and expenditures were \$24,779,118.57. The net decrease in fund balance for the year was \$521,086.91.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2022, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) from 2021	Percent of Increase (Decrease)
Local Sources	\$ 11,277,424.61	46.5%	(27,767.87)	0%
State Sources	11,407,257.95	47.0%	784,677.40	7%
Federal Sources	1,576,349.10	6.5%	143,904.56	9%
Total	<u>\$ 24,261,031.66</u>	<u>100.0%</u>	<u>900,814.09</u>	<u>4%</u>

The following schedule represents a summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal year ended June 30, 2022, and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2021	Percent of Increase (Decrease)
Current expense:				
Instruction	\$ 8,207,702.17	33.1%	(5,574.74)	-0.1%
Undistributed expenditures	14,706,349.13	59.3%	2,151,974.94	14.6%
Capital Outlay	828,473.27	3.3%	558,006.40	67.4%
Debt Service	981,820.00	4.0%	(1,350.00)	-0.1%
Transfer to Charter Schools	54,774.00	0.2%	(17,810.00)	-32.5%
Total	<u>\$ 24,779,118.57</u>	<u>100.0%</u>	<u>2,685,246.60</u>	<u>10.8%</u>

Changes in expenditures were the results of varying factors. The current expense of undistributed expenditures is attributed to tuition, transportation and health benefits.

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**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- Revenue was realized from the prior year for the e-rate program and tuition adjustment for students received from other districts.
- The district applied for and received extraordinary aid.

Capital Assets

At the end of the fiscal year 2022, the School District had \$18,051,350.24 invested in land, building and machinery and equipment. Table 4 shows fiscal year 2022 balances compared to 2021.

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

	2022	2021
Land and Land Improvements	\$ 71,866.33	77,449.62
Construction in Progress	14,351.76	-
Building and Building Improvements	17,622,820.69	17,611,244.38
Machinery and Equipment	342,311.46	193,364.43
Total	\$ 18,051,350.24	17,882,058.43

Overall capital assets increased \$169,291.81 from fiscal year 2021 to fiscal year 2022. The increase in capital assets is primarily due to the completion of construction projects. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2022, the School District had \$9,230,119.36 of outstanding debt. Of this amount, \$357,119.36 is for compensated absences and \$8,873,000.00 of serial bonds relating to several capital improvement projects.

**Table 5
Bonded Outstanding Debt at June 30**

	2022	2021
2011 School Bonds	\$ 1,138,000.00	1,403,000.00
2016 School Bonds	7,735,000.00	8,150,000.00
Total	\$ 8,873,000.00	9,553,000.00

At June 30, 2022, the School District's remaining legal debt margin available was \$26,797,752.00. For more detailed information, please refer to the Notes to the Financial Statements.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED (CONTINUED)**

For the Future

The Somers Point School District is in good financial condition presently. The School District is proud of its community support of the public schools.

The District continues to provide quality education programs while continuing to stabilize the tax rate in Somers Point. In conclusion, the Somers Point School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Mary Conroy, Business Administrator at Somers Point School District, 121 West New York Avenue, Somers Point, New Jersey 08244.

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Basic Financial Statements

DISTRICT – WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business – type activities of the District.

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 4,028,760.85	253,496.43	4,282,257.28
Receivables, Net	969,335.69	54,668.59	1,024,004.28
Inventory		2,560.01	2,560.01
Internal Balances	(1,242.00)	1,242.00	-
Right to Use Leased Assets	6,124.76		6,124.76
Capital Assets, Net			
Land & Construction in Progress	41,363.76		41,363.76
Depreciable assets, net of depreciation	17,864,136.53	145,849.95	18,009,986.48
Total Assets	<u>22,908,479.59</u>	<u>457,816.98</u>	<u>23,366,296.57</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	185,826.00		185,826.00
Total Deferred Outflows of Resources	<u>185,826.00</u>	<u>-</u>	<u>185,826.00</u>
LIABILITIES			
Accounts Payable	357,513.96	123,161.17	480,675.13
Payable to State Government	20,430.00		20,430.00
Payable to Federal Government	21.61		21.61
Unemployment Compensation Claims Payable	150,558.92		150,558.92
Payroll Deductions and Withholdings Payable	7,196.54		7,196.54
Unearned Revenue	591,242.82		591,242.82
Accrued Interest	38,663.00		38,663.00
Noncurrent Liabilities			
Due Within One Year	701,124.76		701,124.76
Due Beyond One Year	8,535,119.36		8,535,119.36
Net Pension Liability	2,448,593.00		2,448,593.00
Total Liabilities	<u>12,850,463.97</u>	<u>123,161.17</u>	<u>12,973,625.14</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	1,644,903.00		1,644,903.00
NET POSITION			
Net Investment in Capital Assets	9,032,500.29	145,849.95	9,178,350.24
Restricted for:			
Other Purposes	3,515,838.66		3,515,838.66
Unrestricted	(3,949,400.33)	188,805.86	(3,760,594.47)
Total Net Position	<u>\$ 8,598,938.62</u>	<u>334,655.81</u>	<u>8,933,594.43</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2022

Function/Programs	Expenses	Indirect Expense Allocation	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 4,805,986.68	2,977,266.25	95,427.79	2,217,077.11		(5,470,748.03)	(5,470,748.03)	
Special Education	3,347,747.78	1,799,745.27		893,354.71		(4,254,138.34)	(4,254,138.34)	
Other Special Instruction	388,824.97	264,576.79		151,475.16		(501,926.60)	(501,926.60)	
Support Services:								
Tuition	174,623.83					(174,623.83)	(174,623.83)	
Student & Instruction Related Services	3,421,991.56	1,659,316.20	7,199.25	842,493.22		(4,231,615.29)	(4,231,615.29)	
School Administrative Services	490,088.91	359,906.17		285,107.39		(564,887.69)	(564,887.69)	
General Administrative Services	451,844.01	166,519.73		128,395.75		(489,967.99)	(489,967.99)	
Plant Operation and Maintenance	1,813,397.52	418,074.48		96,817.36		(2,134,654.64)	(2,134,654.64)	
Pupil Transportation	431,895.22					(431,895.22)	(431,895.22)	
Central Services	340,606.22	220,957.88		184,040.26		(377,523.84)	(377,523.84)	
Unallocated Benefits	7,866,362.77	(7,866,362.77)				-	-	
Interest on Long-Term Debt	297,449.00		224,639.00			(72,810.00)	(72,810.00)	
Transfer to Charter Schools	54,774.00					(54,774.00)	(54,774.00)	
Total Governmental Activities	<u>23,885,592.47</u>	<u>-</u>	<u>327,266.04</u>	<u>4,798,760.96</u>	<u>-</u>	<u>(18,759,565.47)</u>	<u>(18,759,565.47)</u>	
Business-Type Activities:								
Food Service	507,724.04		1,259.58	630,226.22		123,761.76	123,761.76	
Total Business-Type Activities	<u>507,724.04</u>	<u>-</u>	<u>1,259.58</u>	<u>630,226.22</u>	<u>-</u>	<u>123,761.76</u>	<u>123,761.76</u>	
Total Primary Government	<u>\$ 24,393,316.51</u>	<u>\$ -</u>	<u>\$ 328,525.62</u>	<u>\$ 5,428,987.18</u>	<u>\$ -</u>	<u>\$ (18,759,565.47)</u>	<u>\$ (18,635,803.71)</u>	

General Revenues:

Property Taxes, Levied for General Purposes, Net	\$ 10,392,770.00	10,392,770.00
Taxes Levied for Debt Service	752,184.00	752,184.00
Federal and State Aid not Restricted	8,471,075.09	8,471,075.09
Miscellaneous Income	29,843.57	30,232.19
Prior Year Receivable Canceled	(3,000.00)	(3,000.00)
Loss on Disposal of Assets	(167,502.91)	(167,502.91)
Total General Revenues, Special Items, Extraordinary Items and Transfers	<u>19,475,369.75</u>	<u>19,475,369.75</u>
Change in Net Assets	<u>715,804.28</u>	<u>124,150.38</u>
Net Position - Beginning	<u>7,883,134.34</u>	<u>210,505.43</u>
Net Position - Ending	<u>\$ 8,598,938.62</u>	<u>\$ 334,655.81</u>

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

FUND FINANCIAL STATEMENTS

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 2,989,687.37	268,882.98	30,352.48	17,023.00	3,305,945.83
Receivables from Other Governments	382,593.08	563,965.00			946,558.08
Other Receivables	2,347.61	20,430.00			22,777.61
Interfunds Receivable	85,050.24			30,352.48	115,402.72
Restricted Cash and Cash Equivalents	722,815.02				722,815.02
Total Assets	<u>4,182,493.32</u>	<u>853,277.98</u>	<u>30,352.48</u>	<u>47,375.48</u>	<u>5,113,499.26</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	75,211.51	282,302.45			357,513.96
Unemployment Compensation Claims Payable	150,558.92				150,558.92
Payroll Deductions and Withholdings Payable	7,196.54				7,196.54
Payable to State Government		20,430.00			20,430.00
Payable to Federal Government		21.61			21.61
Interfunds Payable	1,242.00	68,026.85	30,352.48	17,023.39	116,644.72
Unearned Revenue		591,242.82			591,242.82
Total Liabilities	<u>234,208.97</u>	<u>962,023.73</u>	<u>30,352.48</u>	<u>17,023.39</u>	<u>1,243,608.57</u>
Fund Balances:					
Nonspendable:					
None	-				-
Restricted for:					
Excess Surplus - Current Year	498,668.95				498,668.95
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	492,987.00				492,987.00
Debt Service				30,352.09	30,352.09
Capital Projects			-		-
Unemployment Compensation	34,031.39				34,031.39
Student Activities		69,383.81			69,383.81
Committed to:					
Maintenance Reserve	951,349.53				951,349.53
Capital Reserve	977,100.00				977,100.00
Assigned to:					
Designated by BOE for Subsequent Expenditures	6,082.00				6,082.00
Maintenance Reserve Designated by BOE for Subsequent Expenditures	400,000.00				400,000.00
Other Purposes	55,883.89				55,883.89
Unassigned:					
General Fund	532,181.59				532,181.59
Special Revenue Fund		(178,129.56)			(178,129.56)
Total Fund Balances	<u>3,948,284.35</u>	<u>(108,745.75)</u>	<u>-</u>	<u>30,352.09</u>	<u>3,869,890.69</u>
Total Liabilities and Fund Balances	<u>\$ 4,182,493.32</u>	<u>853,277.98</u>	<u>30,352.48</u>	<u>47,375.48</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$28,499,739.78 and the accumulated depreciation is \$10,645,502.17.	17,905,500.29
Long - term liabilities, including bonds and capital leases payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(9,236,244.12)
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	6,124.76
Pension Liabilities Net of Deferred Outflows & Inflows	(3,907,670.00)
Interest on long-term debt in the statement of activities is accrued, regardless of when due.	(38,663.00)
Net position of governmental activities	<u>\$ 8,598,938.62</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 10,392,770.00			752,184.00	11,144,954.00
Tuition From Other LEAs Within the State	95,427.79				95,427.79
Other Restricted Miscellaneous Revenues	350.09				350.09
Unrestricted Miscellaneous Revenues	24,642.60	11,978.48	71.65		36,692.73
Total Local Sources	10,513,190.48	11,978.48	71.65	752,184.00	11,277,424.61
State Sources	10,072,982.86	1,109,636.09		224,639.00	11,407,257.95
Federal Sources	50,145.91	1,526,203.19			1,576,349.10
Total Revenues	20,636,319.25	2,647,817.76	71.65	976,823.00	24,261,031.66
EXPENDITURES					
Current:					
Regular Instruction	4,579,210.19				4,579,210.19
Special Education Instruction	1,502,823.58	1,761,648.41			3,264,471.99
Other Special Instruction	364,019.99				364,019.99
Support Services:					
Tuition	174,623.83				174,623.83
Student & Instruction Related Serv.	2,439,745.69	946,256.49			3,386,002.18
School Administrative Services	504,931.18				504,931.18
General Administrative Services	515,878.85				515,878.85
Plant Operation and Maintenance	1,468,848.30				1,468,848.30
Pupil Transportation	429,894.52				429,894.52
Central Services	359,807.50				359,807.50
Employee Benefits	7,866,362.77				7,866,362.77
Debt Service:					
Principal				680,000.00	680,000.00
Interest and Other Charges				301,820.00	301,820.00
Capital Outlay	818,098.27	10,000.00	375.00		828,473.27
Transfer to Charter Schools	54,774.00				54,774.00
Total Expenditures	21,079,018.67	2,717,904.90	375.00	981,820.00	24,779,118.57
Excess (Deficiency) of Revenues Over Expenditures	(442,699.42)	(70,087.14)	(303.35)	(4,997.00)	(518,086.91)
OTHER FINANCING SOURCES (USES)					
Prior Year Receivable Canceled	(3,000.00)				(3,000.00)
Transfer in		-		29,241.25	29,241.25
Transfer out	-		(29,241.25)		(29,241.25)
Total Other Financing Sources and Uses	(3,000.00)	-	(29,241.25)	29,241.25	(3,000.00)
Net Changes in Fund Balance	(445,699.42)	(70,087.14)	(29,544.60)	24,244.25	(521,086.91)
Fund Balance - July 1	4,393,983.77	(38,658.61)	29,544.60	6,107.84	4,390,977.60
Fund Balance - June 30	\$ 3,948,284.35	(108,745.75)	-	30,352.09	3,869,890.69

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022

Total Net Change in Fund Balance - Governmental Funds (from B-2)		\$ (521,086.91)
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	(1,052,414.79)	
Loss on Disposal of Assets	(167,502.91)	
Capital Outlay	1,271,180.38	51,262.68
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long - term liabilities in the statement of net assets and is not reported in the statement of activities.</p>		
Bonds Payable	680,000.00	680,000.00
<p>Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.</p>		
District pension contributions - PERS		
Cost of benefits earned net of employee contributions	590,380.00	590,380.00
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p>		
		(89,122.49)
<p>In the statement of activities, interest on long - term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation.</p>		
		4,371.00
Change in Net Position of Governmental Activities		\$ 715,804.28

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2022

	Business-Type Activities - Enterprise Fund	
	Non Major Fund	
	Food Service	Total
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 253,496.43	253,496.43
Accounts Receivable	54,668.59	54,668.59
Interfund Receivable	1,242.00	1,242.00
Inventories	2,560.01	2,560.01
Total Current Assets	311,967.03	311,967.03
Noncurrent Assets:		
Furniture, Machinery & Equipment	272,313.94	272,313.94
Less: Accumulated Depreciation	(126,463.99)	(126,463.99)
Total Noncurrent Assets	145,849.95	145,849.95
Total Assets	457,816.98	457,816.98
LIABILITIES		
Current Liabilities:		
Accounts Payable	123,161.17	123,161.17
Total Current Liabilities	123,161.17	123,161.17
Noncurrent Liabilities:		
None	-	-
Total Noncurrent Liabilities	-	-
Total Liabilities	123,161.17	123,161.17
NET POSITION		
Net Investment in Capital Assets	145,849.95	145,849.95
Unrestricted	188,805.86	188,805.86
Total Net Position	\$ 334,655.81	334,655.81

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Fund	
	<u>Non Major Fund</u>	
	<u>Food Service</u>	<u>Total Enterprise</u>
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ -	-
Daily Sales - Non-reimbursable Programs	1,259.58	1,259.58
Total Operating Revenue	<u>1,259.58</u>	<u>1,259.58</u>
Operating Expenses:		
Cost of Sales - Reimbursable Programs	238,364.51	238,364.51
Cost of Sales - Non-reimbursable Programs	476.40	476.40
Salaries and Benefits	174,900.60	174,900.60
Management Fee	50,726.00	50,726.00
Supplies and Materials	25,496.99	25,496.99
Miscellaneous	14,322.73	14,322.73
Depreciation	3,436.81	3,436.81
Total Operating Expenses	<u>507,724.04</u>	<u>507,724.04</u>
Operating Income (Loss)	(506,464.46)	(506,464.46)
Nonoperating Revenues (Expenses):		
State Sources:		
State Seamless Summer Option - Lunch	9,490.03	9,490.03
Federal Sources:		
Seamless Summer Option - Lunch	404,093.36	404,093.36
Seamless Summer Option - Breakfast	178,800.93	178,800.93
P-EBT Administrative Cost	628.00	628.00
Food Distribution Program	37,213.90	37,213.90
Interest and Investment Income	388.62	388.62
Total Nonoperating Revenues (Expenses)	<u>630,614.84</u>	<u>630,614.84</u>
Income (Loss) before Contributions & Transfers	124,150.38	124,150.38
Other Financing Sources/(Uses):		
None	-	-
Total Other Financing sources	<u>-</u>	<u>-</u>
Changes in Net Position	124,150.38	124,150.38
Total Net Position - Beginning	<u>210,505.43</u>	<u>210,505.43</u>
Total Net Position - Ending	<u>\$ 334,655.81</u>	<u>334,655.81</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Fund	
	Non Major Fund	
	Food Service	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ -	-
Payments for Suppliers & Payroll	(467,266.17)	(467,266.17)
Net Cash Provided by (Used for) Operating Activities	<u>(467,266.17)</u>	<u>(467,266.17)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	11,186.43	11,186.43
Federal Sources	591,369.14	591,369.14
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>602,555.57</u>	<u>602,555.57</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
None	-	-
Net Cash (Used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and Investment Income	388.62	388.62
Net Cash Provided by (Used for) Investing Activities	<u>388.62</u>	<u>388.62</u>
Net Increase (Decrease) in Cash and Cash Equivalents	135,678.02	135,678.02
Balance - Beginning of Year	117,818.41	117,818.41
Balance - End of Year	<u>253,496.43</u>	<u>253,496.43</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	(506,464.46)	(506,464.46)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Net Amortization	3,436.81	3,436.81
Federal Commodities	37,213.90	37,213.90
(Increase) Decrease in Inventory	(599.75)	(599.75)
Decrease (Increase) in Accounts Receivable	(1,259.58)	(1,259.58)
(Decrease) Increase in Accounts Payable	406.91	406.91
Total Adjustments	<u>39,198.29</u>	<u>39,198.29</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (467,266.17)</u>	<u>(467,266.17)</u>

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Somers Point School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected 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 Somers Point 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 Somers Point School District is a Type II district located in the County of Atlantic, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The City of Somers Point School District had an enrollment at June 30, 2022 of 790 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.

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 program is 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.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). 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, 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. Non-major 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 non-major 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. The District's Unemployment Compensation Trust Fund, Payroll Agency, and Net Payroll accounts are also accounted for in the General 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. The District's Student Activity Fund are also accounted for in the Special Revenue Fund.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

- c. **Capital Projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.
- d. **Debt Service** funds are used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

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.

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 operates a food service fund to provide a child nutrition program for the students of the district

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 is 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.

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.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

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:

Food and Supplies	\$	2,560.01
	\$	<u>2,560.01</u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating 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
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 the 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 revenues, 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.

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 a 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 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.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. 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(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 County Superintendent of Schools.

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

Regular Programs - Instruction	
Grades 1 - 5 Salaries of Teachers	\$ (48,346.29)
Grades 6 - 8 Salaries of Teachers	(35,397.11)
Regular Programs - Undistributed Instruction	
Purchased Professional - Educational Services	303,532.81
Other Purchased Services (400-500 series)	(87,715.93)
General Supplies	(143,863.41)
Special Education - Instruction	
Multiple Disabilities - Salaries of Teachers	(147,902.85)
Multiple Disabilities - Other Salaries for Instruction	(113,707.84)
Preschool Disabilities Full-Time - Salaries of Teachers	(33,027.59)
Preschool Disabilities Full-Time - Other Salaries for Instruction	(74,929.75)
Undistributed Expenditures -	
Tuition to Other LEAs-Within the State-Regular	57,058.01
Tuition to CSSD & Regional Day Schools	(76,044.45)
Extraordinary Services - Purchased Prof Educational Services	148,155.80
Child Study Team - Salaries of Other Professional Staff	(69,274.66)
Child Study Team - Purchased Prof Educational Services	295,995.17
Edu. Media Serv./Sch. Library - Salaries	39,674.25
General Admin. - Legal Services	42,450.26
Custodial Services - Salaries	(92,190.61)
Custodial Services - Engery (Natural Gas)	34,951.81
Student Transportation Serv. - Conts. Serv. (Spc Ed. Students) Joint Agrmt	108,407.89
Unallocated Benefits - Social Security Contributions	50,814.91
Unallocated Benefits - Unemployment Compensation	45,566.38
Unallocated Benefits - Health Benefits	(305,480.82)
Unallocated Benefits - Other Employee Benefits	(45,566.38)

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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

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

10. 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. The final cost is based on agreements with the sending districts with a negotiated amount up to the final cost as determined by State of New Jersey.

11. Tuition Payable:

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

12. 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.

13. Allocation of Costs:

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

14. 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 Employee 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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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

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.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

NOTE 2 – CASH AND CASH EQUIVALENTS

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, 2021, \$40,166.75 of the government’s bank balance of \$5,260,694.81 was exposed to custodial credit risk.

NOTE 3 – RECEIVABLES

Receivables at June 30, 2022, consisted of accounts (rent, tuition, and fees), accrued interest, interfund, intergovernmental, and property taxes. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	District Wide Financial Statements
State Aid	\$ 382,593.08	383,415.65
Federal Aid	563,965.00	614,907.81
Other	22,777.61	25,680.82
Gross Receivables	969,335.69	1,024,004.28
Less: Allowance for Uncollectibles		
Total Receivables, Net	\$ 969,335.69	1,024,004.28

NOTE 4 – INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund; (2) repay expenses paid by another fund.

The following interfund balances remained on the fund financial statements at June 30, 2022.

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 85,050.24	1,242.00
Debt Service Fund	30,352.48	17,023.39
Special Revenue Fund		68,026.85
Capital Projects Fund		30,352.48
Food Service Fund	1,242.00	
	\$ 116,644.72	116,644.72

The general fund receivable is comprised of \$68,026.85 owed from the Special Revenue Fund and \$17,023.39 owed from the Debt Service Fund for cash flow purposes. The debt service fund receivable is comprised of \$30,352.48 owed from the Capital Projects Fund for interest not turned over by June 30th and the closing of the 2016 capital project. The food service fund receivable is comprised of \$1,242.00 owed from the general fund for federal funds not turned over by June 30th.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

NOTE 5 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Adjustments</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 27,012.00			27,012.00
Construction in Progress	789,826.76		(775,475.00)	14,351.76
Total capital assets not being depreciated	<u>816,838.76</u>	<u>-</u>	<u>(775,475.00)</u>	<u>41,363.76</u>
Capital assets being depreciated:				
Land Improvements	192,526.34			192,526.34
Buildings and building improvements	26,842,533.76	997,681.55	(172,033.24)	27,668,182.07
Equipment	647,840.92	65,777.11		713,618.03
Total capital assets being depreciated at historical cost	<u>27,682,901.02</u>	<u>1,063,458.66</u>	<u>(172,033.24)</u>	<u>28,574,326.44</u>
Less accumulated depreciation for:				
Land Improvements	(142,088.72)	(5,583.29)		(147,672.01)
Buildings and improvements	(10,021,116.14)	(1,011,972.29)	987,727.05	(10,045,361.38)
Equipment	(482,297.31)	(34,859.21)		(517,156.52)
Total capital assets being depreciated, net of accumulated depreciation	<u>17,037,398.85</u>	<u>11,043.87</u>	<u>815,693.81</u>	<u>17,864,136.53</u>
Governmental activity capital assets, net	<u>17,854,237.61</u>	<u>\$ 11,043.87</u>	<u>\$ 40,218.81</u>	<u>17,905,500.29</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	150,848.00	121,465.94		272,313.94
Less accumulated depreciation	(123,027.18)	(3,436.81)		(126,463.99)
Enterprise Fund capital assets, net	<u>\$ 27,820.82</u>	<u>118,029.13</u>	<u>-</u>	<u>145,849.95</u>

Depreciation expense is charged to governmental functions as follows:

Regular Instruction	\$ 324,023.92
Special Education	230,993.32
Other Special Instruction	25,757.97
Student & Instruction Related Service	239,592.77
School Administrative Services	35,728.82
General Administrative Services	36,503.47
Plant Operations and Maintenance	103,935.38
Pupil Transportation	30,419.24
Central Services	25,459.90
	<u>\$ 1,052,414.79</u>

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

NOTE 6 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2022 are as follows:

	Balance July 1, 2021	Issues or Additions	Payments or Expenditures	Balance June 30, 2022	Amounts Due Within One Year
Compensated Absences	\$ 267,784.63	89,334.73		357,119.36	
Bonds Payable	9,553,000.00		680,000.00	8,873,000.00	695,000.00
Lease Liability	-	6,124.76		6,124.76	6,124.76
Net Pension Liability	3,271,898.00	1,411,977.00	2,235,282.00	2,448,593.00	
	<u>\$ 13,092,682.63</u>	<u>1,507,436.49</u>	<u>2,915,282.00</u>	<u>11,684,837.12</u>	<u>701,124.76</u>

Compensated absences have been liquidated in the General Fund.

Bonds Payable

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

At June 30, 2022, bonds payable consisted of the following issues:

\$3,443,000 School Bonds dated February 15, 2011, due in annual installments beginning February 15, 2011 through February 15, 2026, bearing interest at variable rates from 2.00% to 4.00% per annum. The balance remaining as of June 30, 2022 is \$1,138,000.00.

\$9,235,000 School Bonds dated December 13, 2016, due in annual installments beginning December 1, 2018 through December 1, 2036, bearing interest at variable rates from 2.50% to 3.50% per annum. The balance remaining as of June 30, 2022 is \$7,735,000.00.

Debt service requirements on serial bonds payable at June 30, 2022 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 695,000.00	278,695.00	973,695.00
2024	715,000.00	255,020.00	970,020.00
2025	725,000.00	230,670.00	955,670.00
2026	698,000.00	205,920.00	903,920.00
2027	540,000.00	180,525.00	720,525.00
2028-2032	2,750,000.00	655,875.00	3,405,875.00
2033-2037	2,750,000.00	229,762.50	2,979,762.50
	<u>\$ 8,873,000.00</u>	<u>2,036,467.50</u>	<u>10,909,467.50</u>

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 July 2018, to lease a postage machine in the school district board office. The term of the lease is 60 months and matures in July 2023. The remaining liability as of June 30, 2022, is \$1,500.00.

The second agreement was executed in August 2017, to lease certain office equipment across the different locations within the school district. The term of the lease is 60 months and matures in July 2022. The remaining liability as of June 30, 2022, is \$4,624.76.

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

<u>Year Ending</u> <u>June 30,</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$	6,124.66	-	6,124.66
	\$	6,124.66	-	6,124.66

NOTE 7 – PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pension 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 (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

Public Employees' Retirement System (PERS)

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

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). 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 N.J.S.A. 43:15C-1 et. seq.

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 current TPAF rate is 45.47% and the PERS rate is 17.11% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2022, 2021 and 2020 were \$2,999,952.00, \$2,158,018.00, and \$1,623,969.00, 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 \$242,062.00, \$219,489.00, and \$199,809.00 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2022, 2021, and 2020, the State of New Jersey contributed \$700,910.00, \$676,289.00, and \$602,463.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$586,246.96, \$571,004.97, and \$573,862.56, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund statements and schedules as revenues and expenditures in accordance in GASB Standards.

For the DCRP, members contribute at a uniform rate of 5.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. There were employees enrolled in the DCRP for the year ended June 30, 2022.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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 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 PERS 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; PERS active member rate increase from 8.5% to 10%. 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.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 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 a 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 8 – PUBLIC EMPLOYEES RETIREMENT SYSTEM

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 \$2,448,593.00 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 0.02066934050%, which would be an increase of 3.02% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the District would have recognized pension expense of (\$348,317.00). At December 31, 2021, the District would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 38,617	17,529
Changes of assumptions	12,752	871,715
Changes in proportion	134,457	110,635
Net difference between projected and actual earnings on pension plan investments		645,024
Total	<u>\$ 185,826</u>	<u>1,644,903</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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

Year ended June 30,		
2022	\$	(568,480)
2023		(405,894)
2024		(276,750)
2025		(208,034)
2026		81
Total	<u>\$</u>	<u>(1,459,077)</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 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, 2014 to June 30, 2018.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
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(CONTINUED)**

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 PERS'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
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.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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:

	1% Decrease -6.00%	Current Discount Rate -7.00%	1% Increase -8.00%
District's proportionate share of the net pension liability	\$ 2,916,267	2,448,593	2,052,269

Pension plan fiduciary net position.

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

NOTE 9 – TEACHERS PENSIONS 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		35,023,842.00
Total	\$	35,023,842.00

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 \$824,126.00 and revenue of \$824,126.00 for support provided by the State.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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-Medan 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 was based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return

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

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 -6.00%	Current Discount Rate -7.00%	1% Increase -8.00%
District's proportionate share of the net pension liability	\$ -	-	-

Pension plan fiduciary net position.

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

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 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 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.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 –

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

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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>

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 \$2,522,596.00 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.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
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	\$ 19,225,423,829.00	(24,447,624,783.00)

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:

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	\$ (5,222,200,954.00)

(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 liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2022, no liability existed for compensated absences in the Food Service Fund.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

NOTE 12 – DEFERRED COMPENSATION

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

Lincoln Investments	NY Life
Equitable Insurance	Siracusa Insurance

NOTE 13 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by City of Somers Point Board of Education by the inclusion of \$100.00 on September 21, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Beginning balance, July 1, 2021		\$ 802,100.00
Deposits:		
Board Transfer		175,000.00
Withdrawals:		
None		
Ending balance, June 30, 2022		\$ <u>977,100.00</u>

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 deposit funds into the capital reserve account at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its LRFP.

NOTE 14 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the City of Somers Point Board of Education for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the Maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning balance, July 1, 2021		\$ 1,450,349.53
Deposits:		
Board Transfer		300,000.00
Withdrawals:		
2021-22 Budget		(400,000.00)
Ending balance, June 30, 2022		\$ <u>1,350,349.53</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

NOTE 15 – RISK MANAGEMENT

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

Property and Liability Insurance - The District maintains insurance coverage for property, liability and surety bonds through the Atlantic & Cape May Counties Association of School Business Officials Joint Insurance Fund (ACCASBOJIF). A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

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. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation fund for the current and prior year:

Fiscal Year	Interest on Investments	Employee Contributions	Board Contribution	Amount Reimbursed	Ending Balance
2020-2021	\$ 350.09	18,481.04		64,047.42	34,031.39
2020-2021	1,065.45	16,367.42		82,360.16	79,247.68
2019-2020	1,819.03	17,274.53		55,931.99	144,174.97

NOTE 16 – COMMITMENTS

The District does not have encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund and Special Revenue Fund. Significant encumbrances at June 30th are as follows:

Fund	Amount
General Fund Encumbered Orders	\$ 55,883.89
Special Revenue Fund Encumbered Orders	306.15
	<u>\$ 56,190.04</u>

NOTE 17 – CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance would result in the disallowance of program expenditures.

NOTE 18 – ECONOMIC DEPENDENCY

The District receives support from federal government and from the state government. A significant reduction in the level of support, if this were to occur, would have an effect on the District's programs and activities.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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 present legal proceedings will not have any adverse material effect on the accompanying financial statements.

NOTE 20 – FUND BALANCE APPROPRIATED

General Fund – Of the \$3,948,284.35 General Fund fund balance, at June 30, 2022, \$55,883.89 is reserved for encumbrances; \$991,655.95 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$492,987.00 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2022), \$34,031.39 is reserved in the Unemployment Compensation Fund; \$977,100.00 has been reserved in the Capital Reserve Account; \$1,351,349.53 has been reserved in the Maintenance Reserve Account; \$6,082.00 is designated by BOE for subsequent expenditures; and \$532,181.59 is classified and Unassigned.

NOTE 21 – 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 of budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$498,668.95.

NOTE 22 – DEFICIT FUND BALANCES

The District has a deficit unassigned fund balance of (\$108,745.75) in the Special Revenue Fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last payment as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties. The District deficit in the Special revenue fund in the GAAP fund statements of (\$108,745.75) is equal to the last state aid payment for that fund and the student activity fund balance.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

NOTE 23 – 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.

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Postage Machine	\$ -	1,500.00		1,500.00
Copiers	-	4,624.76		4,624.76
Right to use assets, net	\$ <u>-</u>	<u>6,124.76</u>	<u>-</u>	<u>6,124.76</u>

NOTE 24 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred through March 3, 2023, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements.

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Required Supplementary Information – Part II

Budgetary Comparison Schedules

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 10,392,770.00		10,392,770.00	10,392,770.00	-
Tuition From Other LEAs Within the State	20,000.00		20,000.00	95,427.79	75,427.79
Other Restricted Miscellaneous Revenues			-	350.09	350.09
Unrestricted Miscellaneous Revenues	19,800.00		19,800.00	24,642.60	4,842.60
Total Local Sources	10,432,570.00	-	10,432,570.00	10,513,190.48	80,620.48
State Sources:					
Categorical Special Education Aid	568,696.00		568,696.00	568,696.00	-
Equalization Aid	4,542,364.00		4,542,364.00	4,542,364.00	-
Categorical Security Aid	114,624.00		114,624.00	114,624.00	-
Categorical Transportation Aid	142,184.00		142,184.00	142,184.00	-
Extraordinary Aid			-	248,362.00	248,362.00
Nonpublic Transportation Aid			-	8,410.00	8,410.00
Maintenance of Equity (MOEQ)			-	55,176.00	55,176.00
Securing Our Children's Future Bond Act		43,685.00	43,685.00	31,861.94	(11,823.06)
TPAF Post Retirement Pension (On-Behalf - Non-Budgeted)			-	700,910.00	700,910.00
TPAF Pension (On-Behalf - Non-Budgeted)			-	2,999,952.00	2,999,952.00
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)			-	784.00	784.00
Reimbursed TPAF Social Security Contributions (non-budgeted)			-	586,246.96	586,246.96
Total State Sources	5,367,868.00	43,685.00	5,411,553.00	9,999,570.90	4,588,017.90
Federal Sources:					
Medical Assistance Program (SEMI)	33,558.00		33,558.00	50,145.91	16,587.91
Total Federal Sources	33,558.00	-	33,558.00	50,145.91	16,587.91
Total Revenues	\$ 15,833,996.00	43,685.00	15,877,681.00	20,562,907.29	4,685,226.29

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Kindergarten - Salaries of Teachers	271,592.00	887.23	272,479.23	257,492.10	14,987.13
Grades 1 - 5 Salaries of Teachers	1,961,127.00	(48,346.29)	1,912,780.71	1,897,523.42	15,257.29
Grades 6 - 8 Salaries of Teachers	1,839,252.00	(35,397.11)	1,803,854.89	1,763,919.05	39,935.84
Regular Programs - Home Instruction					
Salaries of Teachers		5,450.62	5,450.62	5,450.62	-
Purchased Professional - Educational Services		1,197.00	1,197.00	1,197.00	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	81,694.00	(15,887.12)	65,806.88	61,060.58	4,746.30
Purchased Professional - Educational Services		303,532.81	303,532.81	303,532.81	-
Other Purchased Services (400-500 series)	214,250.00	(87,715.93)	126,534.07	114,438.32	12,095.75
General Supplies	327,976.00	(143,863.41)	184,112.59	174,346.29	9,766.30
Textbooks	14,000.00	(125.00)	13,875.00		13,875.00
Other Objects		250.00	250.00	250.00	-
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,709,891.00	(20,017.20)	4,689,873.80	4,579,210.19	110,663.61
SPECIAL EDUCATION - INSTRUCTION					
Multiple Disabilities					
Salaries of Teachers	425,538.00	(147,902.85)	277,635.15	249,182.19	28,452.96
Other Salaries for Instruction	154,907.00	(113,707.84)	41,199.16	21,485.19	19,713.97
Purchased Professional - Educational Services		306.00	306.00	306.00	-
General Supplies	9,850.00	(306.00)	9,544.00	4,668.04	4,875.96
Total Multiple Disabilities	\$ 590,295.00	(261,610.69)	328,684.31	275,641.42	53,042.89
Resource Room/Resource Center					
Salaries of Teachers	\$ 1,005,010.00	30,767.72	1,035,777.72	1,035,777.72	-
Other Salaries for Instruction	20,217.00	28,987.61	49,204.61	49,204.61	-
Purchased Professional - Educational Services		18,902.68	18,902.68	18,902.68	-
General Supplies	5,450.00	(1,111.20)	4,338.80	1,599.00	2,739.80
Total Resource Room/Resource Center	1,030,677.00	77,546.81	1,108,223.81	1,105,484.01	2,739.80

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Preschool Disabilities - Full-Time					
Salaries of Teachers	138,396.00	(33,027.59)	105,368.41	98,079.84	7,288.57
Other Salaries for Instruction	100,755.00	(74,929.75)	25,825.25	16,086.74	9,738.51
General Supplies	1,200.00		1,200.00		1,200.00
Total Preschool Disabilities - Full-Time	<u>240,351.00</u>	<u>(107,957.34)</u>	<u>132,393.66</u>	<u>114,166.58</u>	<u>18,227.08</u>
Special Education - Home Instruction					
Salaries of Teachers	10,000.00	1,118.00	11,118.00	7,309.57	3,808.43
Purchased Professional - Educational Services		222.00	222.00		-
Total Special Education - Home Instruction	<u>10,000.00</u>	<u>1,340.00</u>	<u>11,340.00</u>	<u>7,531.57</u>	<u>3,808.43</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,871,323.00</u>	<u>(290,681.22)</u>	<u>1,580,641.78</u>	<u>1,502,823.58</u>	<u>77,818.20</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	20,000.00	(1,570.80)	18,429.20		18,429.20
Total Basic Skills/Remedial - Instruction	<u>20,000.00</u>	<u>(1,570.80)</u>	<u>18,429.20</u>	<u>-</u>	<u>18,429.20</u>
Bilingual Education - Instruction					
Salaries of Teachers	211,120.00	(884.74)	210,235.26	210,186.94	48.32
Purchased Professional - Educational Services		2,624.80	2,624.80		-
Total Bilingual Education - Instruction	<u>211,120.00</u>	<u>1,740.06</u>	<u>212,860.06</u>	<u>212,811.74</u>	<u>48.32</u>
School-Spon. Co/Extra-curr. Activities - Instruction					
Salaries	53,250.00		53,250.00	37,808.66	15,441.34
Purchased Services (300-500 series)	10,000.00		10,000.00	1,100.00	8,900.00
Supplies & Materials	2,000.00		2,000.00		2,000.00
Total School-Spon. Co/Extra-curr. Activities - Inst.	<u>65,250.00</u>	<u>-</u>	<u>65,250.00</u>	<u>38,908.66</u>	<u>26,341.34</u>
School-Sponsored Athletics - Instruction					
Salaries	43,580.00	990.00	44,570.00	44,570.00	-
Purchased Services (300-500 series)	500.00		500.00		500.00
Supplies & Materials	5,000.00	(478.03)	4,521.97	1,155.00	3,366.97
Other Objects	6,500.00		6,500.00	4,634.50	1,865.50
Total School-Spon. Co/Extra-curr. Activities - Inst.	<u>\$ 55,580.00</u>	<u>511.97</u>	<u>56,091.97</u>	<u>50,359.50</u>	<u>5,732.47</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Summer School - Instruction					
Salaries of Teachers	\$ 50,450.00	9,025.00	59,475.00	59,473.75	1.25
Other Salaries for Instruction	30,000.00	(27,870.00)	2,130.00	2,130.00	-
General Supplies	10,000.00	(2,492.95)	7,507.05	336.34	7,170.71
Total Summer School - Instruction	<u>90,450.00</u>	<u>(21,337.95)</u>	<u>69,112.05</u>	<u>61,940.09</u>	<u>7,171.96</u>
TOTAL INSTRUCTION	7,023,614.00	(331,355.14)	6,692,258.86	6,446,053.76	246,205.10
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs-Within the State-Regular	20,000.00	57,058.01	77,058.01	41,968.03	35,089.98
Tuition to CSSD & Regional Day Schools	109,150.00	(76,044.45)	33,105.55	33,105.55	-
Tuition to Private Schools for the Disabled - Within State	72,349.00	27,729.18	100,078.18	99,550.25	527.93
Total Undistributed Expenditures - Instruction	<u>201,499.00</u>	<u>8,742.74</u>	<u>210,241.74</u>	<u>174,623.83</u>	<u>35,617.91</u>
Undistributed Expend. - Health Services					
Salaries	189,796.00	2,888.78	192,684.78	192,684.78	-
Purchased Professional and Technical Services	1,200.00	418.03	1,618.03	1,381.24	236.79
Supplies & Materials	11,600.00	(8,225.96)	3,374.04	3,271.02	103.02
Total Undistributed Expend. - Health Services	<u>\$ 202,596.00</u>	<u>(4,919.15)</u>	<u>197,676.85</u>	<u>197,337.04</u>	<u>339.81</u>
Undist. Expend. - Other Support Serv. Students - Speech, OT, PT & Related Services					
Salaries	\$ 336,357.00	(28,401.41)	307,955.59	307,955.59	-
Purchased Professional - Educational Services	113,000.00	3,541.74	116,541.74	102,931.99	13,609.75
Supplies & Materials	11,750.00	(3,000.00)	8,750.00	8,008.25	741.75
Total Undist. Expend. - Other Support Services	<u>461,107.00</u>	<u>(27,859.67)</u>	<u>433,247.33</u>	<u>418,895.83</u>	<u>14,351.50</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Other Support Serv. Students - Extraordinary Services					
Salaries	208,043.00	12,396.82	220,439.82	220,439.82	-
Purchased Professional - Educational Services	80,000.00	148,155.80	228,155.80	203,332.20	24,823.60
Total Undist. Expend. - Other Support Services	288,043.00	160,552.62	448,595.62	423,772.02	24,823.60
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	279,184.00	(6,492.06)	272,691.94	272,691.94	-
Other Purchased Prof. & Tech. Services	2,000.00	5,600.00	7,600.00	7,547.26	52.74
Supplies & Materials		2,000.00	2,000.00	1,475.29	524.71
Total Undist. Expend. - Guidance	281,184.00	1,107.94	282,291.94	281,714.49	577.45
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	398,107.00	(69,274.66)	328,832.34	328,832.34	-
Salaries of Secretarial and Clerical Assistants	59,034.00	864.88	59,898.88	59,898.88	-
Other Salaries	6,000.00	(3,415.00)	2,585.00	2,190.00	395.00
Purchased Professional - Educational Services	23,003.00	295,995.17	318,998.17	300,116.94	18,881.23
Other Purchased Services (400-500 series)	5,150.00	6,581.32	11,731.32	11,625.32	106.00
Supplies & Materials	3,500.00	3,618.85	7,118.85	6,131.56	987.29
Other Objects	2,000.00	(220.80)	1,779.20	150.00	1,629.20
Total Undist. Expend. - Child Study Teams	\$ 496,794.00	234,149.76	730,943.76	708,945.04	21,998.72
Undist. Expend. - Improvement of Inst. Services					
Salaries Supervisor of Instruction	\$ 110,000.00	(10,000.00)	100,000.00	76,984.08	23,015.92
Salaries of Other Professional Staff	12,000.00	(8,000.00)	4,000.00	1,650.00	2,350.00
Salaries of Secretaries and Clerical Assistants	25,167.00	(17,706.00)	7,461.00	929.30	6,531.70
Other Salaries	42,489.00		42,489.00	42,389.36	99.64
Purchased Prof. Educational Services	30,000.00		30,000.00		30,000.00
Other Purchased Services (400-500 series)		9,300.00	9,300.00	9,283.04	16.96
Supplies & Materials	2,000.00		2,000.00		2,000.00
Other Objects	2,000.00		2,000.00	845.00	1,155.00
Total Undist. Expend. - Improvement of Inst. Serv.	223,656.00	(26,406.00)	197,250.00	132,080.78	65,169.22

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Edu. Media Serv./Sch. Library Salaries	188,018.00	39,674.25	227,692.25	227,047.95	644.30
Purchased Professional and Technical Services	1,600.00	2,000.00	3,600.00	3,600.00	-
Other Purchased Services (400-500 series)	52,600.00	(9,089.76)	43,510.24	40,686.33	2,823.91
Supplies & Materials	2,000.00	1,112.61	3,112.61	2,325.75	786.86
Total Undistributed Expenditures - Educational Media Services - School Library	244,218.00	33,697.10	277,915.10	273,660.03	4,255.07
Undist. Expend. - Instructional Staff Training Serv. Salaries Other Prof. Staff	-	117.00	117.00	-	117.00
Purchased Professional - Educational Services	-	3,100.00	3,100.00	3,100.00	-
Other Purchased Services (400-500 series)	8,800.00		8,800.00	145.00	8,655.00
Supplies & Materials	500.00		500.00	95.46	404.54
Total Undistributed Expenditures - Instructional Staff Training Services	9,300.00	3,217.00	12,517.00	3,340.46	9,176.54
Undist. Expend. - Supp. Serv. - General Admin. Salaries	227,830.00	(4,922.38)	222,907.62	222,907.62	-
Legal Services	38,249.00	42,450.26	80,699.26	72,587.27	8,111.99
Audit Fees	24,000.00	(600.00)	23,400.00	23,400.00	-
Architectural/Engineering Services	20,000.00	19,717.29	39,717.29	39,717.29	-
Other Purchased Professional Services	10,000.00	(9,999.99)	0.01		0.01
Purchased Technical Services	21,150.00	3,605.05	24,755.05	23,505.05	1,250.00
Communications/Telephone	103,500.00	(4,072.65)	99,427.35	97,890.99	1,536.36
BOE Other Purchased Services	5,000.00	(4,100.00)	900.00	900.00	-
Misc. Purch Services (400-500 series)(Other than 530&585)	16,400.00	1,388.42	17,788.42	17,788.42	-
General Supplies	5,000.00	1,996.26	6,996.26	6,996.26	-
BOE In-House Training/Meeting Supplies	2,000.00	(1,537.90)	462.10	462.10	-
Miscellaneous Expenditures	3,000.00	(62.00)	2,938.00	2,938.00	-
BOE Membership Dues and Fees	7,000.00	(214.15)	6,785.85	6,785.85	-
Total Undistributed Expenditures - Support Services - General Administration	\$ 483,129.00	43,648.21	526,777.21	515,878.85	10,898.36

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Supp. Serv. - School Admin.	\$ 260,329.00	(2,128.59)	258,200.41	258,200.41	-
Salaries of Principals/Assistant Principals/Prog Dir	210,795.00	12,784.32	223,579.32	223,579.32	-
Salaries of Secretarial and Clerical Assistants	24,000.00	(5,430.46)	18,569.54	11,141.48	7,428.06
Other Purchased Services (400-500 series)	14,500.00	(2,112.18)	12,387.82	8,540.97	3,846.85
Supplies & Materials	2,700.00	769.00	3,469.00	3,469.00	-
Other Objects					
Total Undistributed Expenditures - Support	512,324.00	3,882.09	516,206.09	504,931.18	11,274.91
Services - School Administration					
Undist. Expend - Central Services					
Salaries	253,673.00	(282.69)	253,390.31	253,390.31	-
Purchased Professional Services	17,000.00	4,641.35	21,641.35	21,641.35	-
Purchased Technical Services		4,700.00	4,700.00	4,637.00	63.00
Misc. Purchased Services (400-500 series)(O/T 594)	7,900.00	676.16	8,576.16	8,576.16	-
Supplies and Materials	5,020.56	6,838.70	11,859.26	11,859.26	-
Miscellaneous Expenditures	1,564.00	(303.89)	1,260.11	1,150.00	110.11
Total Undistributed Expenditures - Central Services	285,157.56	16,289.63	301,427.19	301,254.08	173.11
Undis. Expend - Admin. Info Technology					
Salaries	42,489.00		42,489.00	42,389.62	99.38
Other Purchased Services (400-500 series)	24,700.00	(948.90)	23,751.10	9,907.80	13,843.30
Supplies and Materials	9,100.00		9,100.00	6,256.00	2,844.00
Total Undistributed Expenditures - Administration Information Technology	76,289.00	(948.90)	75,340.10	58,553.42	16,786.68
Undist. Expend. - Required Maint. School Fac.					
Salaries	203,119.00		203,119.00	175,380.52	27,738.48
Cleaning, Repair and Maintenance Service	242,377.00	-	242,377.00	185,652.46	56,724.54
General Supplies	26,200.00	23,451.82	49,651.82	41,015.87	8,635.95
Other Objects	4,100.00		4,100.00	1,125.00	2,975.00
Total Undistributed Expenditures - Allowable Maintenance for School Facilities	\$ 475,796.00	23,451.82	499,247.82	403,173.85	96,073.97

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Custodial Services					
Salaries	\$ 478,102.00	(92,190.61)	385,911.39	351,021.07	34,890.32
Purchased Professional and Technical Services	500.00		500.00		500.00
Cleaning, Repair and Maintenance Service	6,600.00		6,600.00	4,178.33	2,421.67
Rental of Land & Bldg. Oth. then Lease Pur Agrmt	3,500.00		3,500.00	2,693.30	806.70
Other Purchased Property Services	25,600.00		25,600.00	23,341.14	2,258.86
Insurance	135,000.00		141,120.00	141,120.00	-
Other Purchased Services (400-500 series)		6,120.00	1,000.00	390.28	609.72
Miscellaneous Purchased Services	13,100.00	(4,018.46)	9,081.54	7,212.32	1,869.22
General Supplies	49,800.00	(7,054.26)	42,745.74	42,269.20	476.54
Energy (Natural Gas)	57,700.00	34,951.81	92,651.81	92,651.81	-
Energy (Electricity)	275,000.00	29,807.41	304,807.41	300,022.22	4,785.19
Energy (Gasoline)	1,000.00	265.79	1,265.79		-
Total Undistributed Expenditures - Custodial Services	<u>1,045,902.00</u>	<u>(31,118.32)</u>	<u>1,014,783.68</u>	<u>966,165.46</u>	<u>48,618.22</u>
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	11,000.00	8,802.33	19,802.33	19,656.00	146.33
General Supplies	14,000.00	(5,802.33)	8,197.67	8,103.36	94.31
Total Care and Upkeep of Grounds	<u>25,000.00</u>	<u>3,000.00</u>	<u>28,000.00</u>	<u>27,759.36</u>	<u>240.64</u>
Undist. Expend. - Security					
Salaries	38,700.00	(5,456.25)	33,243.75	33,243.75	-
Cleaning, Repair and Maintenance Services	12,800.00	2,119.70	14,919.70	14,259.70	660.00
General Supplies	27,975.18	6,683.05	34,658.23	24,046.18	10,612.05
Other Objects		200.00	200.00	200.00	-
Total Security	<u>79,475.18</u>	<u>3,546.50</u>	<u>83,021.68</u>	<u>71,749.63</u>	<u>11,272.05</u>
Total Undistributed Expenditures Operations and Maintenance of Plant	<u>1,626,173.18</u>	<u>(1,120.00)</u>	<u>1,625,053.18</u>	<u>1,468,848.30</u>	<u>156,204.88</u>
Undist. Expend. - Student Transportation Serv.					
Other Purchased Professional and Technical Services		22,520.04	22,520.04	19,060.04	3,460.00
Contr. Serv. - Aid in Lieu Pymts-NonPub Sch	24,000.00	2,000.00	26,000.00	25,500.00	500.00
Contr. Serv. - (Oth than Bet Home & Sch)-Vend	25,000.00	(6,432.68)	18,567.32	18,567.32	-
Contr. Serv. - (Bet. Home & School) Joint Agrmt.	169,500.00	(7,669.57)	161,830.43	159,080.60	2,749.83
Contr. Serv. - (Spc Ed. Students) - Joint Agrmt	100,000.00	108,407.89	208,407.89	207,686.56	721.33
Total Undistributed Expenditures - Student Transportation Services	<u>\$ 318,500.00</u>	<u>118,825.68</u>	<u>437,325.68</u>	<u>429,894.52</u>	<u>7,431.16</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Unallocated Benefits					
Social Security Contributions	\$ 165,000.00	50,814.91	215,814.91	213,171.60	2,643.31
Other Retirement Contributions - PERS	220,000.00	22,062.00	242,062.00	242,062.00	-
Unemployment Compensation		45,566.38	45,566.38	45,566.38	-
Workmen's Compensation	140,000.00	1,120.00	141,120.00	141,120.00	-
Health Benefits	3,217,960.00	(305,480.82)	2,912,479.18	2,737,907.87	174,571.31
Tuition Reimbursement	37,146.50		37,146.50	21,804.50	15,342.00
Other Employee Benefits	225,700.00	(45,566.38)	180,133.62	176,837.46	3,296.16
Total Unallocated Benefits	4,005,806.50	(231,483.91)	3,774,322.59	3,578,469.81	195,852.78
On-Behalf Contributions:					
On-behalf TPAF Postretirement Contributions (non-budgeted)			-	700,910.00	(700,910.00)
On-Behalf TPAF Pension Contribution (non-bud)			-	2,999,952.00	(2,999,952.00)
On-Behalf TPAF Long-Term Disability Insurance Contribution (non-bud)			-	784.00	(784.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)			-	586,246.96	(586,246.96)
Total Personal Services - Unallocated Benefits	-	-	-	4,287,892.96	(4,287,892.96)
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	4,005,806.50	(231,483.91)	3,774,322.59	7,866,362.77	(4,092,040.18)
TOTAL UNDISTRIBUTED EXPENDITURES	9,715,776.24	331,355.14	10,047,131.38	13,760,092.64	(3,712,961.26)
TOTAL GENERAL CURRENT EXPENSE	16,739,390.24	-	16,739,390.24	20,206,146.40	(3,466,756.16)
Equipment:					
Preschool	4,500.00		4,500.00	4,500.00	-
Grades 1-5	8,000.00		8,000.00	8,000.00	-
Grades 6-8	17,500.00		17,500.00	15,029.51	2,470.49
Total Equipment	30,000.00	-	30,000.00	27,529.51	2,470.49
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	6,100.00		6,100.00	6,100.00	-
Construction Services	769,000.00		769,000.00	742,809.54	26,190.46
School Security Grant		43,685.00	43,685.00	7,594.22	36,090.78
Assessment for Debt Service on SDA Funding	34,065.00		34,065.00	34,065.00	-
Total Facilities Acquisition and Construction Services	809,165.00	43,685.00	852,850.00	790,568.76	62,281.24
TOTAL CAPITAL OUTLAY	899,165.00	43,685.00	882,850.00	818,098.27	64,751.73
Transfer of Funds to Charter Schools	57,995.00		57,995.00	54,774.00	3,221.00
TOTAL EXPENDITURES	\$ 17,636,550.24	43,685.00	17,680,235.24	21,079,018.67	(3,398,783.43)

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the 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	\$ (1,802,554.24)	-	(1,802,554.24)	(516,111.38)	1,286,442.86
Other Financing Sources (Use):					
Local Contribution- Transfer to Special Revenue	(10,000.00)		(10,000.00)	(3,000.00)	(10,000.00)
Prior Year Receivable Canceled			-		3,000.00
Total Other Financing Sources (Use)	<u>(10,000.00)</u>	<u>-</u>	<u>(10,000.00)</u>	<u>(3,000.00)</u>	<u>(7,000.00)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,812,554.24)	-	(1,812,554.24)	(519,111.38)	1,279,442.86
Fund Balance July 1	4,918,807.17		4,918,807.17	4,918,807.17	
Fund Balance June 30	\$ 3,106,252.93	-	<u>3,106,252.93</u>	<u>4,399,695.79</u>	<u>1,279,442.86</u>
Recapitulation:					
Nonspendable Fund Balance:					
None					
Restricted Fund Balance:					
Excess Surplus - Designated for Subsequent Year's Expenditures				492,987.00	
Excess Surplus - Current Year				498,668.95	
Reserve for Unemployment Compensation				34,031.39	
Committed Fund Balance:					
Maintenance Reserve				951,349.53	
Capital Reserve				977,100.00	
Assigned Fund Balance:					
Designated by BOE for Subsequent Expenditures				6,082.00	
Maintenance Reserve Designated for Subsequent Year's Expenditures				400,000.00	
Year-End Encumbrances				55,883.89	
Unassigned Fund Balance				<u>983,593.03</u>	
				4,399,695.79	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP basis				<u>(451,411.44)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>3,948,284.35</u>	

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 1,501,449.00	84,735.00	1,586,184.00	1,124,289.61	(461,894.39)
Federal Sources	2,448,701.00	207,803.55	2,656,504.55	1,523,650.34	(1,132,854.21)
Local Sources	14,047.00	13,843.29	27,890.29	11,978.48	(15,911.81)
Total Revenues	3,964,197.00	306,381.84	4,270,578.84	2,659,918.43	(1,610,660.41)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,232,237.00	(284,363.48)	947,873.52	802,200.50	145,673.02
Other Salaries for Instruction	156,220.00	11,072.82	167,292.82	129,859.30	37,433.52
Purchased Professional and Technical Services	189,833.00	9,418.00	199,251.00	78,148.52	121,102.48
Other Purchased Services (400-500 series)	354,240.00	94,183.76	448,423.76	251,497.00	196,926.76
General Supplies	501,070.00	259,836.29	760,906.29	475,681.51	285,224.78
Textbooks	17,863.00	3,624.00	21,487.00	21,487.00	-
Total Instruction	2,451,463.00	93,771.39	2,545,234.39	1,758,873.83	786,360.56
Support Services:					
Salaries of Supervisors of Instruction	33,000.00		33,000.00	32,999.82	0.18
Salaries of Program Director	30,000.00		30,000.00	29,999.97	0.03
Salaries of Principals					
Salaries of Other Professional Staff	79,537.00	60,977.00	140,514.00	82,666.40	57,847.60
Salaries of Secretarial and Clerical Assistants	26,167.00		26,167.00	25,166.94	1,000.06
Other Salaries	247,052.00	34,846.98	281,898.98	226,345.70	55,553.28
Salaries of Community Parent Involvement Spec.	23,033.00		23,033.00	23,032.80	0.20
Salaries of Master Teachers	67,298.00		67,298.00	67,298.00	-
Personal Services - Employee Benefits	669,328.00	29,000.00	698,328.00	223,257.67	475,070.33
Purchased Professional - Educational Services	50,000.00	75,661.91	125,661.91	52,133.94	73,527.97
Other Purchased Services (400-500 series)		22,300.00	22,300.00	21,637.50	662.50
Cleaning, Repair & Maintenance Svcs.	15,000.00		15,000.00	-	15,000.00
Contr Serv-Trans (Bet. Home & School)	32,954.00	(32,954.00)	-	-	-
Contr Serv-Trans (Field Trips)	3,000.00		3,000.00	-	3,000.00
Travel	3,000.00		3,000.00	364.56	2,635.44
Miscellaneous Purchased Services	24,000.00		24,000.00	-	24,000.00
Supplies and Materials	106,195.00	(25,230.79)	80,964.21	38,450.32	42,513.89
General Supplies	51,170.00	9,100.00	60,270.00	60,270.00	-
Student Activities	5,000.00		5,000.00	12,954.43	(7,954.43)
Total Support Services	1,465,734.00	173,701.10	1,639,435.10	896,578.05	742,857.05
\$	1,465,734.00	173,701.10	1,639,435.10	896,578.05	742,857.05

**CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES(cont'd):					
Facilities Acquisitions and Construction Services:					
Instructional Equipment	\$ 27,000.00	27,086.29	54,086.29	221.73	53,864.56
Non-Instructional Equipment	30,000.00	11,823.06	41,823.06	10,000.00	31,823.06
Total Facilities Acquisitions and Const. Services:	<u>57,000.00</u>	<u>38,909.35</u>	<u>95,909.35</u>	<u>10,221.73</u>	<u>85,687.62</u>
Transfers to Charter Schools			-	-	-
Other Financing Sources (Uses)					
Transfer in from General Fund	10,000.00		10,000.00	-	(10,000.00)
Total Other Financing Sources (Uses)	<u>10,000.00</u>	<u>-</u>	<u>10,000.00</u>	<u>-</u>	<u>(10,000.00)</u>
Total Outflows	<u>3,974,197.00</u>	<u>306,381.84</u>	<u>4,280,578.84</u>	<u>2,665,673.61</u>	<u>1,614,905.23</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(5,755.18)</u>	<u>4,244.82</u>
Fund Balance, July 1			\$ 75,138.99		
Fund Balance, June 30			<u>69,383.81</u>		
Recapitulation: Restricted: Student Activities			69,383.81		
Total Fund Balance			<u>\$ 69,383.81</u>		

Notes to the Required Supplementary Information

CITY OF SOMERS POINT SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Notes to the Required Supplementary Information
For the Year Ended June 30, 2022

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 20,562,907.29	[C-2]	\$ 2,659,918.43
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Prior Year				52,537.44
Current Year				(306.15)
Prior year final State Aid payments were delayed until July 2021 and is recorded as revenue in current year under GAAP.		524,823.40		113,797.60
Final State Aid payments were delayed until July 2022 is recorded as budgetary revenue but are not recognized under GAAP.		(451,411.44)		(178,129.56)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 20,636,319.25	[B-2]	\$ 2,647,817.76
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 21,079,018.67	[C-2]	\$ 2,665,673.61
Difference - 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 GAAP financial reporting purposes.				
Prior Year				52,537.44
Current Year				(306.15)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 21,079,018.67	[B-2]	\$ 2,717,904.90

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Required Supplementary Information – Part III

CITY OF SOMERS POINT 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)	0.0206693405%	0.0200639049%	0.0204976751%	0.0208702943%	0.0204391612%	0.0212258028%	0.0207598462%	0.0204353405%	0.0197384249%
District's proportionate of the net pension liability (asset)	\$ 2,448,593	\$ 3,271,898	\$ 3,693,370	\$ 4,109,257	\$ 4,757,910	\$ 6,286,474	\$ 4,660,169	\$ 3,826,055	\$ 3,772,405
District's covered payroll	\$ 1,372,640	\$ 1,487,775	\$ 1,437,976	\$ 1,426,032	\$ 1,353,514	\$ 1,418,613	\$ 1,441,882	\$ 1,394,028	\$ 1,420,653
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	178.39%	219.92%	256.85%	288.16%	351.52%	443.14%	323.20%	274.46%	265.54%
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 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 SOMERS POINT 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 contribution	\$ 242,062	\$ 219,489	\$ 199,382	\$ 207,592	\$ 189,347	\$ 188,567	\$ 178,479	\$ 168,466	\$ 148,725
Contributions in relation to the contractually required contribution	\$ 242,062	\$ 219,489	\$ 199,382	\$ 207,592	\$ 189,347	\$ 188,567	\$ 178,479	\$ 168,466	\$ 148,725
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 1,372,640	\$ 1,487,775	\$ 1,437,976	\$ 1,426,032	\$ 1,353,514	\$ 1,418,613	\$ 1,441,882	\$ 1,394,028	\$ 1,420,653
Contributions as a percentage of covered-employee payroll	17.63%	14.75%	13.87%	14.56%	13.99%	13.29%	12.38%	12.08%	10.47%

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

Note: This schedule is required by GASB 68 to 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 SOMERS POINT 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	35,023,842	47,895,606	43,314,073	44,832,228	50,602,097	54,356,437	45,267,958	39,510,379	37,827,202
Total	\$ 35,023,842	\$ 47,895,606	\$ 43,314,073	\$ 44,832,228	\$ 50,602,097	\$ 54,356,437	\$ 45,267,958	\$ 39,510,379	\$ 37,827,202
Districts covered payroll	\$ 7,937,837	\$ 8,066,591	\$ 7,925,247	\$ 7,683,554	\$ 7,211,358	\$ 7,403,055	\$ 7,165,179	\$ 6,906,748	\$ 7,186,899
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%	33.76%

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

Note: This schedule is required by GASB 68 to 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 SOMERS POINT 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	\$ 50,899,330.00	\$ 57,821,597.00	\$ 35,448,919.00	\$ 39,285,304.00	\$ 45,391,716.00	\$ 49,173,103.00
Total	\$ 50,899,330.00	\$ 57,821,597.00	\$ 35,448,919.00	\$ 39,285,304.00	\$ 45,391,716.00	\$ 49,173,103.00
Districts covered payroll	\$ 9,310,477.00	\$ 9,554,366.00	\$ 9,363,223.00	\$ 9,109,586.00	\$ 8,564,872.00	\$ 8,821,668.00
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	2,364,064.00	1,335,530.00	1,342,616.00	1,503,124.00	1,813,242.00	
Interest Cost	1,320,382.00	1,270,521.00	1,552,062.00	1,660,841.00	1,438,782.00	
Change in Benefit Terms	(54,176.00)					
Differences between Expected & Actual Changes in Assumptions	(9,596,418.00)	10,180,723.00	(6,203,690.00)	(3,748,023.00)	(6,020,757.00)	
Member Contributions	50,216.00	10,562,019.00	528,546.00	(4,508,185.00)	38,714.00	
Benefit Payments	33,756.00	30,511.00	32,257.00	36,306.00	38,714.00	
	(1,040,091.00)	(1,006,626.00)	(1,088,176.00)	(1,050,475.00)	(1,051,368.00)	
Change in Total Opeb Liability	(6,922,267.00)	22,372,678.00	(3,836,385.00)	(6,106,412.00)	(3,781,387.00)	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	57,821,597.00	35,448,919.00	39,285,304.00	45,391,716.00	49,173,103.00	
Ending Balance	\$ 50,899,330.00	\$ 57,821,597.00	\$ 35,448,919.00	\$ 39,285,304.00	\$ 45,391,716.00	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	546.69%	605.19%	378.60%	431.25%	529.98%	

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.

Other Supplementary Information

SPECIAL REVENUE FUND DETAIL STATEMENTS

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1a)	Title I	Title II Part A	Title III	Title IV	Totals 2022
REVENUES:						
State Sources	\$ 1,124,289.61					1,124,289.61
Federal Sources	1,301,097.32	209,124.82	1,460.50	9,903.70	2,064.00	1,523,650.34
Local Sources	11,978.48					11,978.48
Total Revenues	2,437,365.41	209,124.82	1,460.50	9,903.70	2,064.00	2,659,918.43
EXPENDITURES:						
Instruction:						
Salaries of Teachers	792,664.98	9,535.52				802,200.50
Other Salaries for Instruction	129,859.30					129,859.30
Purchased Professional and Technical Services	78,148.52					78,148.52
Other Purchased Services (400-500 series)	251,497.00					251,497.00
General Supplies	317,858.30	151,171.40		6,651.81		475,681.51
Textbooks	21,487.00					21,487.00
Total Instruction	1,591,515.10	160,706.92	-	6,651.81	-	1,758,873.83
Support Services:						
Salaries of Supervisors of Instruction	32,999.82					32,999.82
Salaries of Program Director	29,999.97					29,999.97
Salaries of Principals	-					-
Salaries of Other Professional Staff	55,269.80	26,811.60	78.00	507.00		82,666.40
Salaries of Secretarial and Clerical Assistants	25,166.94					25,166.94
Other Salaries	226,345.70					226,345.70
Salaries of Community Parent Involvement Spec.	23,032.80					23,032.80
Salaries of Master Teachers	67,298.00					67,298.00
Personal Services - Employee Benefits	223,257.67		1,382.50			223,257.67
Purchased Professional - Educational Services	48,687.44				2,064.00	52,133.94
Other Purchased Services (400-500 series)	-	20,650.50				20,650.50
Cleaning, Repair & Maintenance Svcs.	-					-
Contr. Serv-Trans (Bet. Home & School)	-					-
Contr Serv-Trans (Field Trips)	-					-
Travel	364.56					364.56
Miscellaneous Purchased Services	-					-
Supplies and Materials	35,736.63	955.80		1,757.89		38,450.32
General Supplies	60,270.00					60,270.00
Student Activities	12,954.43					12,954.43
Total Support Services	841,383.76	48,417.90	1,460.50	3,251.89	2,064.00	896,578.05
Facilities Acquisition and Constr. Services:						
Instructional Equipment	221.73					221.73
Non-Instructional Equipment	10,000.00					10,000.00
Total Facilities Acquisition and Constr. Services	10,221.73	-	-	-	-	10,221.73
Contribution to Charter Schools	-					-
Total Outflows	2,443,120.59	209,124.82	1,460.50	9,903.70	2,064.00	2,665,673.61
Other Financing Sources (Uses)						
Transfer from Operating Budget - PreK	-					-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(5,755.18)	-	-	-	-	(5,755.18)
Fund Balance, July 1	75,138.99					75,138.99
Fund Balance, June 30	69,383.81					69,383.81

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1b)	IDEA Part B Basic	IDEA Part B Preschool	ARP IDEA Part B Basic	IDEA Preschool	Nonpublic Corrective Speech	Nonpublic Auxiliary Basic Skills	Nonpublic Security	Total Carried Forward
REVENUES:									
State Sources	\$ 965,304.61					18,935.00	79,780.00	60,270.00	1,124,289.61
Federal Sources	1,008,813.15	279,740.85	11,072.82	1,470.50	11,072.82				1,301,097.32
Local Sources	11,978.48								11,978.48
Total Revenues	1,986,096.24	279,740.85	11,072.82	1,470.50	11,072.82	18,935.00	79,780.00	60,270.00	2,437,365.41
EXPENDITURES:									
Instruction:									
Salaries of Teachers	773,729.98					18,935.00			792,664.98
Other Salaries for Instruction	118,786.48		11,072.82						129,859.30
Purchased Professional and Technical Services	78,148.52								78,148.52
Other Purchased Services (400-500 series)	3,000.00	248,497.00							251,497.00
General Supplies	238,078.30						79,780.00		317,858.30
Textbooks	21,487.00								21,487.00
Total Instruction	1,233,230.28	248,497.00	11,072.82	-	11,072.82	18,935.00	79,780.00	-	1,591,515.10
Support Services:									
Salaries of Supervisors of Instruction	32,999.82								32,999.82
Salaries of Program Director	29,999.97								29,999.97
Salaries of Principals	-								-
Salaries of Other Professional Staff	55,269.80								55,269.80
Salaries of Secretarial and Clerical Assistants	25,166.94								25,166.94
Other Salaries	226,345.70								226,345.70
Salaries of Community Parent Involvement Spec.	23,032.80								23,032.80
Salaries of Master Teachers	67,298.00								67,298.00
Personal Services - Employee Benefits	223,257.67								223,257.67
Purchased Professional - Educational Services	15,973.09	31,243.85		1,470.50					48,687.44
Other Purchased Services (400-500 series)	-								-
Cleaning, Repair & Maintenance Svcs.	-								-
Contr Serv-Trans (Bet. Home & School)	-								-
Contr Serv- Trans (Field Trips)	-								-
Travel	364.56								364.56
Miscellaneous Purchased Services	-								-
Supplies and Materials	35,736.63								35,736.63
General Supplies	-							60,270.00	60,270.00
Student Activities	12,954.43								12,954.43
Total Support Services	748,399.41	31,243.85	-	1,470.50	-	-	-	60,270.00	841,383.76
Facilities Acquisition and Constr. Services:									
Instructional Equipment	221.73								221.73
Non-Instructional Equipment	10,000.00								10,000.00
Total Facilities Acquisition and Constr. Services	10,221.73	-	-	-	-	-	-	-	10,221.73
Contribution to Charter Schools	1,991,851.42	279,740.85	11,072.82	1,470.50		18,935.00	79,780.00	60,270.00	2,443,120.59
Total Outflows	-	-	-	-	-	-	-	-	-
Other Financing Sources (Uses)									
Transfer from Operating Budget - PreK	-								-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(5,755.18)	-	-	-	-	-	-	-	(5,755.18)
Fund Balance, July 1	75,138.99								75,138.99
Fund Balance, June 30	69,383.81								69,383.81

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1c)	Nonpublic Supplementary Instruction	Nonpublic Exam & Class	Nonpublic Textbooks	Nonpublic Nurse	Preschool Education Aid	Total Carried Forward
REVENUES:							
State Sources	\$ 15,032.00	9,417.00	24,875.00	21,487.00	37,781.00	856,712.61	965,304.61
Federal Sources	1,008,813.15						1,008,813.15
Local Sources	11,978.48						11,978.48
Total Revenues	1,035,823.63	9,417.00	24,875.00	21,487.00	37,781.00	856,712.61	1,986,096.24
EXPENDITURES:							
Instruction:							
Salaries of Teachers	431,000.00	9,417.00				333,312.98	773,729.98
Other Salaries for Instruction	-					118,786.48	118,786.48
Purchased Professional and Technical Services	40,367.52				37,781.00		78,148.52
Other Purchased Services (400-500 series)	3,000.00						3,000.00
General Supplies	206,033.09					32,045.21	238,078.30
Textbooks	-			21,487.00			21,487.00
Total Instruction	680,400.61	9,417.00	-	21,487.00	37,781.00	484,144.67	1,233,230.28
Support Services:							
Salaries of Supervisors of Instruction	-					32,999.82	32,999.82
Salaries of Program Director	-					29,999.97	29,999.97
Salaries of Principals	-						-
Salaries of Other Professional Staff	-					55,269.80	55,269.80
Salaries of Secretarial and Clerical Assistants	-					25,166.94	25,166.94
Other Salaries	63,034.65		24,875.00			138,436.05	226,345.70
Salaries of Community Parent Involvement Spec.	-					23,032.80	23,032.80
Salaries of Master Teachers	-					67,298.00	67,298.00
Personal Services - Employee Benefits	223,257.67						223,257.67
Purchased Professional - Educational Services	15,973.09						15,973.09
Other Purchased Services (400-500 series)	-						-
Cleaning, Repair, & Maintenance Svcs.	-						-
Contr Serv-Trans (Bet. Home & School)	-						-
Contr Serv-Trans (Field Trips)	-						-
Travel	-					364.56	364.56
Miscellaneous Purchased Services	-						-
Supplies and Materials	35,736.63						35,736.63
General Supplies	-						-
Student Activities	12,954.43						12,954.43
Total Support Services	350,956.47	-	24,875.00	-	-	372,567.94	748,399.41
Facilities Acquisition and Constr. Services:							
Instructional Equipment	221.73						221.73
Non-Instructional Equipment	10,000.00						10,000.00
Total Facilities Acquisition and Constr. Services	10,221.73	-	-	-	-	-	10,221.73
Contribution to Charter Schools							
Total Outflows	1,041,578.81	9,417.00	24,875.00	21,487.00	37,781.00	856,712.61	1,991,851.42
Other Financing Sources (Uses)							
Transfer from Operating Budget - PreK	-						-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(5,755.18)	-	-	-	-	-	(5,755.18)
Fund Balance, July 1	75,138.99						75,138.99
Fund Balance, June 30	69,383.81						69,383.81

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2022

	Total Brought Forward (Ex. E-rd)	Nonpublic Technology	CARES	ESSER II	ESSER II Learning Acceleration	ESSER II Mental Health	Total Carried Forward
REVENUES:							
State Sources	\$ -	15,032.00					15,032.00
Federal Sources	-		54,932.65	938,453.41	9,909.09	5,518.00	1,008,813.15
Local Sources	11,978.48						11,978.48
Total Revenues	11,978.48	15,032.00	54,932.65	938,453.41	9,909.09	5,518.00	1,035,823.63
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-			431,000.00			431,000.00
Other Salaries for Instruction	-						-
Purchased Professional and Technical Services	-			40,367.52			40,367.52
Other Purchased Services (400-500 series)	-			3,000.00			3,000.00
General Supplies	4,779.23	15,032.00	45,383.00	136,320.86		4,518.00	206,033.09
Textbooks	-						-
Total Instruction	4,779.23	15,032.00	45,383.00	610,688.38	-	4,518.00	680,400.61
Support Services:							
Salaries of Supervisors of Instruction	-						-
Salaries of Program Director	-						-
Salaries of Principals	-						-
Salaries of Other Professional Staff	-						-
Salaries of Secretarial and Clerical Assistants	-						-
Other Salaries	-		2,098.71	59,999.94	936.00		63,034.65
Salaries of Community Parent Involvement Spec.	-						-
Salaries of Master Teachers	-						-
Personal Services - Employee Benefits	-			223,257.67			223,257.67
Purchased Professional - Educational Services	-			6,000.00	8,973.09	1,000.00	15,973.09
Other Purchased Services (400-500 series)	-						-
Cleaning, Repair, & Maintenance Svcs.	-						-
Contr Serv-Trans (Bet. Home & School)	-						-
Contr Serv-Trans (Field Trips)	-						-
Travel	-						-
Miscellaneous Purchased Services	-		7,229.21	28,507.42			35,736.63
Supplies and Materials	-						-
General Supplies	12,954.43						12,954.43
Student Activities	-						-
Total Support Services	12,954.43	-	9,327.92	317,765.03	9,909.09	1,000.00	350,956.47
Facilities Acquisition and Constr. Services:							
Instructional Equipment	-		221.73	10,000.00			221.73
Non-Instructional Equipment	-		221.73	10,000.00			10,000.00
Total Facilities Acquisition and Constr. Services	-	-	443.46	20,000.00	-	-	10,221.73
Contribution to Charter Schools	17,733.66	15,032.00	54,932.65	938,453.41	9,909.09	5,518.00	1,041,578.81
Total Outflows	-	-	-	-	-	-	-
Other Financing Sources (Uses)							
Transfer from Operating Budget - PreK	-						-
Total Other Financing Sources (Uses)	-						-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(5,755.18)	-	-	-	-	-	(5,755.18)
Fund Balance, July 1	75,138.99						75,138.99
Fund Balance, June 30	69,383.81						69,383.81

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2022

	Emergency Fund Rotary	Renaissance School	AtlanticCare Healthy Schools Grant	Sustainable NJ Grant	Student Activities	Total Carried Forward
REVENUES:						
Slate Sources						-
Federal Sources						-
Local Sources	1,791.58	1,894.00	997.14	96.51	7,199.25	11,978.48
Total Revenues	<u>1,791.58</u>	<u>1,894.00</u>	<u>997.14</u>	<u>96.51</u>	<u>7,199.25</u>	<u>11,978.48</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers						-
Other Salaries for Instruction						-
Purchased Professional and Technical Services						-
Other Purchased Services (400-500 series)						-
General Supplies	1,791.58	1,894.00	997.14	96.51		4,779.23
Textbooks						-
Total Instruction	<u>1,791.58</u>	<u>1,894.00</u>	<u>997.14</u>	<u>96.51</u>	<u>-</u>	<u>4,779.23</u>
Support Services:						
Salaries of Supervisors of Instruction						-
Salaries of Program Director						-
Salaries of Principals						-
Salaries of Other Professional Staff						-
Salaries of Secretarial and Clerical Assistants						-
Other Salaries						-
Salaries of Community Parent Involvement Spec.						-
Salaries of Master Teachers						-
Personal Services - Employee Benefits						-
Purchased Professional - Educational Services						-
Other Purchased Services (400-500 series)						-
Cleaning, Repair & Maintenance Svcs.						-
Contr Serv-Trans (Bet. Home & School)						-
Contr Serv-Trans (Field Trips)						-
Travel						-
Miscellaneous Purchased Services						-
Supplies and Materials						-
General Supplies						-
Student Activities					12,954.43	12,954.43
Total Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,954.43</u>	<u>12,954.43</u>
Facilities Acquisition and Constr. Services:						
Instructional Equipment						-
Non-Instructional Equipment						-
Total Facilities Acquisition and Constr. Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution to Charter Schools						
Total Outflows	<u>1,791.58</u>	<u>1,894.00</u>	<u>997.14</u>	<u>96.51</u>	<u>12,954.43</u>	<u>17,733.66</u>
Other Financing Sources (Uses)						
Transfer from Operating Budget - PreK						-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,755.18)</u>	<u>(5,755.18)</u>
Fund Balance, July 1						75,138.99
Fund Balance, June 30						69,383.81

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - All Programs
Budgetary Basis
For the Year Ended June 30, 2022

<u>District-Wide Total</u>	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 345,990.00	333,312.98	12,677.02
Other Salaries for Instruction	156,220.00	118,786.48	37,433.52
Other Purchased Services (400-500 series)	5,000.00	-	5,000.00
General Supplies	57,017.00	32,045.21	24,971.79
Total Instruction	564,227.00	484,144.67	80,082.33
Support Services:			
Salaries of Supervisors of Instruction	33,000.00	32,999.82	0.18
Salaries of Program Director	30,000.00	29,999.97	0.03
Salaries of Principals	-	-	-
Salaries of Other Professional Staff	79,537.00	55,269.80	24,267.20
Salaries of Secretarial and Clerical Assistants	26,167.00	25,166.94	1,000.06
Other Salaries	139,055.00	138,436.05	618.95
Salaries of Community Parent Involvement Spec.	23,033.00	23,032.80	0.20
Salaries of Master Teachers	67,298.00	67,298.00	-
Personal Services - Employee Benefits	300,860.00	-	300,860.00
Purchased Professional - Educational Services	-	-	-
Other Purchased Services (400-500 series)	-	-	-
Cleaning, Repair & Maintenance Svcs.	15,000.00	-	15,000.00
Contr Serv-Trans (Bet. Home & School)	-	-	-
Contr Serv-Trans (Field Trips)	3,000.00	-	3,000.00
Travel	3,000.00	364.56	2,635.44
Miscellaneous Purchased Services	24,000.00	-	24,000.00
Supplies and Materials	-	-	-
General Supplies	-	-	-
Total Support Services	743,950.00	372,567.94	371,382.06
Total Expenditures	\$ 1,308,177.00	856,712.61	451,464.39

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2021-22 Preschool Education Aid Allocation	1,297,716.00
Add: Actual ECPA/PEA Carryover (June 30, 2021)	116,739.91
Add: Budgeted Transfer from the General Fund 2021-22	-
Total Preschool Education Aid Funds Available for 2021-22 Budget	1,414,455.91
Less: 2021-22 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(1,308,177.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as June 30, 2022	106,278.91
Add: June 30, 2022 Unexpended Preschool Education Aid	451,464.39
2021-22 Carryover – Preschool Education Aid/Preschool	<u>557,743.30</u>
2021-22 Preschool Education Aid Carryover Budgeted in 2022-23	146,278.00

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CAPITAL PROJECTS FUND DETAIL STATEMENTS

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2022

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Cumulative Transferred to Debt Service Fund	Unexpended Balance June 30, 2022
			Prior Years	Current Year		
New York Avenue, Dawes Avenue and Jordan Road Schools: HVAC Project	10/20/2016	\$ 9,235,000.00	9,205,455.40	375.00	29,169.60	(0.00)
		\$ <u>9,235,000.00</u>	<u>9,205,455.40</u>	<u>375.00</u>	<u>29,169.60</u>	<u>(0.00)</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Project Revenues, Expenditures, and
Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2022

Revenues and Other Financing Sources:

Sale of Bonds	\$	-
Miscellaneous		71.65
		71.65
Total Revenues		71.65

Expenditures and Other Financing Uses:

Other Purchased Professional and Technical Services		-
Construction Services		-
Legal Services		-
Architectural/Engineering Services		375.00
Other Objects		-
		375.00
Total Expenditures		375.00

Excess (deficiency) of revenues over (under) expenditures		(303.35)
---	--	----------

Other Financing Sources (Uses):

Transfer Out to the Debt Service Fund		(29,241.25)
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Total Other Financing Sources (Uses)		(29,241.25)
--------------------------------------	--	-------------

Excess (Deficiency) of revenues and other financing sources sources over (under) expenditures and other financing sources (uses)		(29,544.60)
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Fund Balance - July 1		29,544.60
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Fund Balance - June 30	\$	-
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CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue, Dawes Avenue and Jordan Road Schools - HVAC Project
From Inception and for the Year Ended June 30, 2022

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Sale of Bonds	\$ 9,235,000.00		9,235,000.00	9,235,000.00
Miscellaneous	22,957.60	71.65	23,029.25	
Total Revenues	9,257,957.60	71.65	9,258,029.25	9,235,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	5,221.00		5,221.00	151,175.00
Construction Services	8,104,903.62		8,104,903.62	7,388,000.00
Legal Services	57,892.59		57,892.59	69,500.00
Architectural/Engineering Services	802,188.47	375.00	802,563.47	653,695.00
Other Objects	235,249.72		235,249.72	972,630.00
Total Expenditures	9,205,455.40	375.00	9,205,830.40	9,235,000.00
Excess (deficiency) of revenues over (under) expenditures	52,502.20	(303.35)	52,198.85	-
Other Financing Sources (Uses):				
Transfer Out to the Debt Service Fund	(22,957.60)	(29,241.25)	(52,198.85)	
Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	\$ 29,544.60	(29,544.60)	(0.00)	-
Additional Project Information:				
Project Number	4800-060-16-1000/4800-055-16-1000/4800-050-16-1000			
Grant Date	6/9/2016			
Bond Authorization Date	10/20/2016			
Bonds Authorized	9,235,000			
Bonds Issued	9,235,000			
Original Authorized Cost	9,235,000			
Additional Authorized Cost	-			
Revised Authorized Cost	9,235,000			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date				

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balance of the general long-term liabilities of the school district. This includes serial bonds outstanding, the outstanding principal balance on capital leases.

CITY OF SOMERS POINT SCHOOL DISTRICT
Schedule of General Serial Bonds
As of June 30, 2022

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds				Balance June 30, 2021	Increased	Decreased	Balance June 30, 2022
			Date	Outstanding June 30, 2022	Amount	Interest Rate				
Renovations Project	2/15/2011	\$ 3,443,000	2/15/2023	275,000	4.000%	\$ 1,403,000.00		265,000.00	1,138,000.00	
			2/15/2024	290,000	4.000%					
			2/15/2025	300,000	4.000%					
			2/15/2026	273,000	4.000%					
Renovations Project	12/13/2016	9,235,000.00	12/1/2022	420,000	3.000%	8,150,000.00		415,000.00	7,735,000.00	
			12/1/2023	425,000	3.000%					
			12/1/2024	425,000	3.000%					
			12/1/2025	425,000	3.000%					
			12/1/2026	540,000	3.000%					
			12/1/2027	550,000	3.000%					
			12/1/2028	550,000	3.000%					
			12/1/2029	550,000	3.000%					
			12/1/2030	550,000	3.000%					
			12/1/2031	550,000	3.000%					
			12/1/2032	550,000	3.100%					
			12/1/2033	550,000	3.200%					
		12/1/2034	550,000	3.250%						
		12/1/2035	550,000	3.300%						
		12/1/2036	550,000	3.500%						
						\$ 9,553,000.00	-	680,000.00	8,873,000.00	

CITY OF SOMERS POINT SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 752,184.00		752,184.00	752,184.00	-
Total - Local Sources	752,184.00	-	752,184.00	752,184.00	-
State Sources:					
Debt Service Aid Type II	224,639.00		224,639.00	224,639.00	-
Total - State Sources	224,639.00	-	224,639.00	224,639.00	-
Total Revenues	976,823.00	-	976,823.00	976,823.00	-
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	301,820.00		301,820.00	301,820.00	-
Redemption of Principal	680,000.00		680,000.00	680,000.00	-
Total Regular Debt Service	981,820.00	-	981,820.00	981,820.00	-
Total Expenditures	981,820.00	-	981,820.00	981,820.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,997.00)	-	(4,997.00)	(4,997.00)	-
Other Financing Sources(Uses):					
Operating Transfers In:					
Transfer from Capital Projects	-		-	29,241.25	29,241.25
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	(4,997.00)	-	(4,997.00)	24,244.25	29,241.25
Fund Balance, July 1	6,107.84		6,107.84	6,107.84	-
Fund Balance, June 30	\$ 1,110.84	-	1,110.84	30,352.09	29,241.25

Statistical Section

CITY OF SOMERS POINT SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	2013	2014 *	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets, net of related debt	\$ 7,651,778	7,654,586	7,581,123	7,484,476	679,113	4,512,199	6,770,837	6,684,566	8,301,238	9,032,500
Restricted	448,518	271,089	1,221,287	1,335,356	1,465,870	1,341,622	1,490,675	2,336,525	4,238,239	3,515,839
Unrestricted	770,913	(2,592,048)	(4,036,226)	(4,461,585)	1,578,587	(2,698,482)	(4,042,963)	(4,589,876)	(4,656,342)	(3,949,400)
Total governmental activities net position	8,871,209	5,333,627	4,764,194	4,358,248	3,723,570	3,155,339	4,218,549	4,431,214	7,883,134	8,588,939
Business-type activities										
Invested in capital assets, net of related debt			49,770	45,003	41,567	38,130	34,694	31,257	27,821	145,850
Restricted	5,585	16	31,280	61,370	61,357	48,443	24,844	26,075	182,685	188,806
Unrestricted	5,585	16	81,050	106,374	102,924	86,574	59,538	57,332	210,505	334,656
Total business-type activities net position										
District-wide										
Invested in capital assets, net of related debt	\$ 7,651,778	7,654,586	7,630,893	7,529,480	720,680	4,550,329	6,805,531	6,715,823	8,329,058	9,178,350
Restricted	448,518	271,089	1,221,287	1,335,356	1,465,870	1,341,622	1,490,675	2,336,525	4,238,239	3,515,839
Unrestricted	776,498	(2,592,032)	(4,006,946)	(4,400,215)	1,639,944	(2,650,039)	(4,018,119)	(4,563,801)	(4,473,658)	(3,760,594)
Total district net position	8,876,794	5,333,643	4,845,244	4,464,621	3,826,494	3,241,913	4,278,087	4,488,546	8,093,640	8,933,594

* as restated

Source: ACFR Schedule A-1

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
Instruction:										
Regular	7,124,442	7,080,991	8,270,608	8,452,784	9,189,237	9,263,126	8,748,776	7,966,843	9,837,412	7,783,253
Special education	3,307,663	3,296,418	3,965,027	4,316,931	4,746,136	5,608,193	4,823,343	4,598,509	4,966,737	5,147,493
Other special instruction	363,029	385,511	447,895	573,695	660,415	753,213	990,338	750,844	601,231	653,402
Support Services:										
Tuition	361,795	428,506	504,975	354,871	348,844	285,218	253,816	211,509	181,592	174,624
Student & instruction related services	2,463,182	2,501,100	3,085,494	3,454,182	3,664,563	4,178,232	4,338,996	4,133,515	4,718,027	5,081,308
General administrative services	762,021	795,152	805,478	835,546	928,691	984,410	514,119	936,003	886,619	849,995
School administrative services	422,431	417,584	407,635	481,274	477,700	531,410	1,016,645	505,930	581,594	618,364
Central services	372,547	392,303	486,724	534,663	549,162	555,136	592,875	654,820	609,992	561,564
Plant operations and maintenance	1,987,523	1,593,943	1,772,395	1,987,073	1,990,805	2,195,264	406,950	2,466,805	480,119	2,231,472
Pupil transportation	392,669	511,432	539,849	428,569	459,261	451,555	556,965	327,566	260,237	431,895
Food Service	29,794	31,193								
Charter Schools			25,857	39,717	25,417	71,284	21,993	33,621	72,584	54,774
Interest on long-term debt	128,677	142,486	133,231	121,692	371,958	383,956	247,076	338,995	319,116	297,449
Unallocated depreciation										
Total governmental activities expenses	17,715,793	17,540,619	20,449,168	21,563,997	23,412,189	25,260,997	22,509,892	22,924,960	23,467,259	23,885,592
Business-type activities:										
Food Service	186,048	179,627	390,689	429,714	489,358	443,863	431,000	343,257	355,769	507,724
Community Education Recreation Program	186,048	179,627	174,297	165,005	163,254	186,776	199,163	221,352	-	-
Total business-type activities expenses	372,096	359,254	564,986	594,719	652,612	630,639	630,163	564,589	355,769	507,724
Total district expenses	17,901,841	17,720,246	21,014,144	22,158,717	24,064,801	25,891,636	23,140,055	23,489,549	23,823,028	24,393,317
Program Revenues										
Governmental activities:										
Charges for services	69,515	82,948	82,414	139,241	73,054	144,153	211,910	310,151	309,259	327,266
Operating grants and contributions	1,382,851	2,791,752	4,854,143	5,590,479	7,050,942	8,473,628	6,594,092	6,356,975	6,733,847	4,798,761
Capital grants and contributions										
Total governmental activities program revenues	1,452,366	2,874,700	4,936,557	5,729,720	7,123,996	8,617,781	6,806,002	6,667,126	7,043,106	5,126,027
Business-type activities:										
Charges for services:										
Food Service			57,311	46,036	63,539	41,144	24,553	27,040	10	1,260
Community Education Recreation Program	189,492	174,058	178,916	177,734	173,337	168,208	200,263	225,257	970	630,226
Operating grants and contributions			395,411	398,394	394,192	404,811	378,184	294,263	517,353	
Capital grants and contributions										
Total business-type activities program revenue	189,492	174,058	631,638	622,163	631,067	614,162	603,001	546,560	518,332	631,486
Total district program revenue	1,651,858	3,048,758	5,568,195	6,351,884	7,755,063	9,231,943	7,409,002	7,213,686	7,561,439	5,757,513

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental activities	(16,253,427)	(14,865,919)	(15,512,611)	(15,834,277)	(16,288,193)	(16,643,216)	(15,703,890)	(16,257,835)	(16,424,153)	(18,759,565)
Business-type activities	3,444	(5,569)	66,662	26,444	(41,544)	(16,480)	(27,163)	(18,029)	162,563	123,762
Total district-wide net expense	(16,249,983)	(14,871,488)	(15,445,949)	(15,807,833)	(16,329,737)	(16,659,695)	(15,731,053)	(16,275,864)	(16,261,590)	(18,635,804)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	8,383,479	8,711,622	8,949,548	9,383,122	9,613,369	9,793,339	9,989,206	10,188,990	10,392,770	10,392,770
Taxes levied for debt service	459,919	288,892	299,067	369,202	468,543	732,346	798,122	760,316	752,495	752,184
Unrestricted grants and contributions	7,016,628	5,729,328	5,861,557	5,661,344	5,663,917	5,661,538	5,946,647	5,462,044	8,421,958	8,471,075
Investment earnings	5,252	268	1,724	3,046	10,873	-	-	-	-	-
Miscellaneous income	8,601	21,707	11,282	2,621	1,888	42,776	30,252	90,750	77,679	30,232
Transfers	(24,179)	-	-	-	-	-	-	(15,439)	9,604	-
Prior Year Receivables Cancelled	-	-	-	-	(56,981)	-	-	-	-	(3,000)
Prior Year Payable	-	-	-	-	(37,988)	61	-	-	-	(167,503)
Loss on Disposal of Assets	-	-	-	(11,004)	(37,988)	(144,946)	-	(5,777)	-	-
Special Item - NonCash Equipment	-	-	-	-	-	-	-	-	-	-
Total governmental activities	15,849,700	14,752,017	14,943,178	15,428,331	15,653,622	16,075,114	16,767,228	16,470,883	19,654,507	19,475,758
Business-type activities:										
Transfers	-	-	14,372	(1,120)	37,988	-	-	15,439	(9,604)	-
Special Item - NonCash Equipment	-	-	-	(1,120)	37,988	-	-	-	(9,604)	-
Prior Year Payable	-	-	14,372	(1,120)	37,988	-	-	15,439	(9,604)	-
Total business-type activities	-	-	14,957,350	15,427,211	15,691,610	16,075,114	16,767,228	16,486,323	19,644,902	19,475,758
Total district-wide	(15,849,700)	(14,752,017)	(14,957,350)	(15,427,211)	(16,329,737)	(16,659,695)	(15,731,053)	(16,275,864)	(16,261,590)	(18,635,804)
Changes in Net Position										
Governmental activities	(403,727)	86,098	(669,433)	(405,946)	(634,571)	(568,102)	1,063,337	213,049	3,230,354	716,193
Business-type activities	3,444	(5,569)	81,034	25,324	(3,556)	(16,480)	(27,163)	(2,589)	152,959	123,762
Total district	(400,283)	80,529	(488,399)	(380,622)	(638,128)	(584,581)	1,036,175	210,459	3,383,313	839,955

Source: ACFR, Schedule A-2

CITY OF SOMERS POINT SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund	1,205,131	1,132,183	987,797	1,051,756	1,182,270	1,058,022	816,857	784,844	1,007,079	1,025,687
Restricted	250,100	205,100	183,600	183,600	283,600	283,600	668,609	1,529,028	1,853,450	1,928,450
Committed		50,000	49,900	100,000	-	-	111,009	544,493	593,106	461,966
Assigned	(201,929)	63,047	(126,447)	(161,514)	(93,237)	(28,116)	27,245	(66,752)	155,745	532,182
Unassigned										
Reserved										
Unreserved										
Total general fund	1,253,302	1,450,330	1,094,850	1,173,842	1,372,633	1,313,506	1,623,720	2,791,613	3,609,380	3,948,284
All Other Governmental Funds										
Restricted										
Capital Projects Fund	439,529	267,947	96,870	12	7,304,308	722,373	305,821	149,573	4,818	-
Debt Service Fund	3,119	3,142	5,823	5,878	7,323	12,984	9,617	8,875	6,108	30,352
Student Activities									75,139	69,384
Committed										
Assigned	5,870	(30,256)	(30,654)	(30,259)	(23,488)	1,625,534	490,746	13,550	24,727	-
Unassigned	(34,524)					(26,673)	(23,842)	(70,364)	(113,798)	(178,130)
Reserved										
Unreserved, reported in:										
Special revenue fund										
Capital projects fund										
Debt service fund										
Permanent fund										
Total all other governmental funds	413,994	240,833	72,039	(24,370)	7,288,144	2,334,218	782,342	101,634	(3,006)	(78,384)

Source: ACFR Schedule B-1

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax Levy	8,843,398	9,000,514	9,248,615	9,752,324	10,071,912	10,525,685	10,788,328	10,939,306	11,145,265	11,144,954
Tuition charges	69,515	82,948	82,414	139,241	73,054	5,000	24,702	83,311	82,462	95,428
Interest earnings	5,252	268	1,724	3,046	10,767	9,379	7,531	30,311	30,311	23,870
Other Restricted Miscellaneous Revenues	8,601	21,707	11,282	2,621	1,888	33,329	22,595	60,055	1,065	350
Miscellaneous Revenue from Local Sources	7,591,497	7,590,786	7,791,431	7,967,263	8,311,814	8,741,662	9,279,574	9,773,334	10,622,581	11,407,258
State sources	874,178	930,484	1,005,453	925,458	869,206	945,406	947,391	1,008,871	1,432,445	1,576,349
Federal sources	17,392,441	17,626,717	18,140,919	18,789,953	19,338,640	20,260,462	21,070,121	21,895,188	23,360,218	24,261,032
Total revenue										
Expenditures										
Instruction:										
Regular instruction	4,738,254	4,884,301	5,150,780	4,829,866	4,959,099	4,786,254	4,679,002	4,583,424	5,061,858	4,579,210
Special education instruction	2,273,266	2,238,596	2,492,599	2,508,340	2,614,097	2,939,729	2,623,887	2,762,316	2,852,134	3,264,472
Other special education instruction	241,746	260,998	274,544	324,498	350,231	377,663	515,426	423,756	299,285	364,020
Support Services:										
Tuition	361,795	428,506	504,975	354,871	348,844	285,218	253,816	211,509	181,592	174,624
Student & instruction related services	1,739,926	1,840,504	1,971,361	2,071,638	2,049,124	2,275,437	2,471,137	2,585,199	2,649,465	3,386,002
General administrative services	325,871	317,565	313,859	314,968	313,894	389,864	341,047	386,581	410,500	515,879
School administrative services	510,150	513,662	551,423	512,709	544,723	548,767	572,379	570,338	476,925	504,931
Central services	255,554	276,740	348,008	334,059	334,167	326,415	343,502	409,967	358,369	359,808
Plant operations and maintenance	1,607,967	1,301,411	1,395,058	1,421,562	1,313,146	1,305,803	1,430,121	1,437,057	1,540,457	1,468,848
Pupil transportation	368,407	491,418	511,604	399,667	442,283	435,470	495,517	309,116	245,024	429,895
Food Service Program	29,794	31,193	-	-	-	-	-	-	-	-
Unallocated employee benefits	4,507,543	4,387,630	4,546,229	5,170,087	5,237,358	5,693,678	5,952,540	6,030,341	6,692,044	7,866,363
Charter schools	-	-	25,857	39,717	25,417	71,284	21,993	33,621	72,584	54,774
Capital outlay	290,149	163,463	270,796	59,305	2,060,941	4,996,356	1,617,840	686,444	270,467	828,473
Debt service:										
Principal	305,000	320,000	330,000	340,000	350,000	360,000	628,000	640,000	660,000	680,000
Interest and other charges	155,763	146,863	137,523	126,083	114,343	511,576	365,575	342,895	323,170	301,820
Total Expenditures	17,711,185	17,602,850	18,824,616	18,807,369	21,057,368	25,273,514	22,311,782	21,392,564	22,093,872	24,779,119
Excess (Deficiency) of revenues over (under) expenditures	(318,744)	23,867	(683,697)	(17,416)	(1,718,728)	(5,013,053)	(1,241,661)	502,624	1,266,346	(518,087)
Other Financing Sources (Uses)										
Transfers in	3,119	233,408	234,348	96,935	109,678	91,579	3,878	4,997	1,111	29,241
Transfers out	(3,119)	(233,408)	(234,348)	(96,935)	(109,678)	(91,579)	(3,878)	(20,436)	8,493	(29,241)
Capital Leases (non-budgeted)	136,296	-	159,423	-	90,000	-	-	-	-	-
Canceled accounts receivable	(56,196)	-	-	-	(56,981)	9,604	-	-	-	(3,000)
Bond proceeds	-	-	-	-	9,235,000	-	-	-	-	-
Prior Year Payable	80,100	-	159,423	-	(37,988)	-	-	-	-	-
Total other financing sources (uses)	(238,644)	23,867	(524,274)	(17,416)	7,511,304	(5,013,053)	(1,232,057)	487,184	1,275,950	(521,087)
Net change in fund balances	2.64%	2.68%	2.52%	2.49%	2.44%	4.30%	4.80%	4.75%	4.51%	4.10%
Debt service as a percentage of noncapital expenditures										

Source: ACFR Schedule B-2

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
 Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Totals</u>
2013	3,588.00	69,515.00		8,601.00	81,704.00
2014	245.00	82,948.00		21,707.00	104,900.00
2015	1,664.00	82,414.00		11,282.00	95,360.00
2016	3,521.26	139,241.49		2,620.72	145,383.47
2017	10,766.57	73,053.78		1,888.45	85,708.80
2018	3,652.60	7,718.99		2,837.63	14,209.22
2019	7,340.38	-		11,616.68	18,957.06
2020	30,311.20	9,741.99		439.28	40,492.47
2021	23,870.45			39,739.78	63,610.23
2022	8,854.75			16,137.94	24,992.69

Source: District Records

Exhibit J-6

CITY OF SOMERS POINT SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-exempt Property	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2013	8,351,400	473,381,500			159,401,300		40,372,100	681,506,300		1,521,274	683,027,574	1.263	1,290,761,884
* 2014	11,663,100	814,795,100			290,337,600		71,576,000	1,186,371,800		-	1,188,371,800	0.769	1,180,523,189
2015	10,206,200	808,079,300			288,177,000		71,576,000	1,178,038,500		-	1,178,038,500	0.827	1,169,275,027
2016	10,385,800	804,520,400			285,895,900		71,576,000	1,172,378,100		-	1,172,378,100	0.824	1,124,475,446
2017	9,882,200	802,639,800			274,773,700	7,149,800	71,576,000	1,166,021,500		-	1,166,021,500	0.883	1,120,420,390
2018	10,101,700	797,852,527			289,263,200	7,029,800	62,615,000	1,146,862,227		-	1,146,862,227	0.930	1,104,676,623
2019	8,877,800	790,348,300			270,065,800	7,029,800	62,551,500	1,138,873,200		-	1,138,873,200	0.954	1,129,168,620
2020	9,133,500	789,045,100			265,904,800	6,946,900	61,551,500	1,132,581,800		-	1,132,581,800	0.974	1,141,669,878
2021	9,045,500	790,952,200			259,564,200	6,946,900	64,394,833	1,130,903,633		100	1,130,903,733	0.985	1,160,209,541
2022	9,142,500	793,488,100			289,734,700	7,279,200	64,959,333	1,134,603,833		100	1,134,603,933	0.982	1,268,997,107

* Revalued

Source: County Abstract of Ratables & Municipal Tax Assessor

CITY OF SOMERS POINT SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Exhibit J-7

Fiscal Year Ended June 30,	CITY OF SOMERS POINT SCHOOL DISTRICT			Overlapping Rates					Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Open Space	County Other	Regional School	Municipal Local Purpose	
2013	1.239	0.024	1.263	0.767	0.012	0.102	1.073	1.390	4.607
2014	0.744	0.025	0.769	0.396	0.005	0.070	0.622	0.839	2.701
2015	0.802	0.025	0.827	0.447	0.002	0.042	0.595	0.881	2.794
2016	0.793	0.031	0.824	0.444	0.002	0.053	0.594	0.906	2.823
2017	0.844	0.039	0.883	0.477	0.002	0.054	0.619	0.922	2.957
2018	0.866	0.064	0.930	0.478	0.001	0.051	0.640	0.967	3.067
2019	0.884	0.070	0.954	0.473	0.002	0.058	0.657	0.989	3.133
2020	0.908	0.066	0.974	0.478	0.002	0.059	0.703	1.008	3.224
2021	0.918	0.067	0.985	0.487	0.005	0.063	0.743	1.008	3.291
2022	0.916	0.066	0.982	0.517	0.006	0.062	0.749	1.025	3.341

* Revalued

Source: District Records and Municipal Tax Collector

CITY OF SOMERS POINT SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Village Plaza, LLC	\$ 24,080,000	1	2.12%	\$ 11,900,000	1	1.74%
Sea Aire Apartments, LLC	16,553,333	2	1.46%	9,005,000	2	1.32%
West America, LTD	10,272,000	3	0.91%	5,792,500	4	0.85%
Related Somers Point, LLC	10,244,000	4	0.90%			
American Stores Realty Co, LLC	9,300,000	5	0.82%	5,194,800	6	0.76%
Harbour Cove	8,627,000	6	0.76%	3,743,200	10	0.55%
Ocean Heights Manor, LLC	8,589,000	7	0.76%			
Somers Point, LLC	7,884,000	8	0.69%			
HPT IHG-2 Properties Trust	7,700,000	9	0.68%			
IDA Dev. Assoc.	7,000,000	10	0.62%			
IDA Kmart Sears				6,618,400	3	0.97%
WWW Associates				5,667,300	5	0.83%
Est. of P Kiejdan-Marital Trust				4,523,000	7	0.66%
EQI Financial Partners, LP				4,430,000	8	0.65%
Somers Point Apartments, LLC				4,251,300	9	0.62%
Totals	\$ 110,249,333		9.72%	\$ 61,125,500		8.95%
	District Assessed Value		\$ 1,134,603,933			\$ 683,027,574

Source: District ACFR & Municipal Tax Assessor

**CITY OF SOMERS POINT SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	8,843,398.00	8,843,398.00	100%	-
2014	9,000,514.00	9,000,514.00	100%	-
2015	9,248,615.00	9,248,615.00	100%	-
2016	9,752,324.00	9,752,324.00	100%	-
2017	10,071,912.00	10,071,912.00	100%	-
2018	10,525,685.00	10,525,685.00	100%	-
2019	10,788,328.00	10,788,328.00	100%	-
2020	10,939,306.00	10,939,306.00	100%	-
2021	11,145,265.00	11,145,265.00	100%	-
2022	11,144,954.00	11,144,954.00	100%	-

Source: District records including the Certificate and Report of School Taxes (A-4F form)

CITY OF SOMERS POINT SCHOOL DISTRICT
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Bond Anticipation Notes (BANs)	Business-Type Activities		Total District	Percentage of Personal Income	Per Capita Personal Income
	General Obligation Bonds	Certificates of Participation	Capital Leases			Capital Leases				
2013	3,946,000		90,006				4,036,006	1.04%	41,947	
2014	3,626,000		45,427				3,671,427	1.18%	43,171	
2015	3,296,000		119,423				3,415,423	1.29%	43,974	
2016	2,956,000		90,556				3,046,556	1.47%	44,735	
2017	11,841,000		119,986				11,960,986	0.39%	46,304	
2018	11,481,000		60,948				11,541,948	0.42%	48,110	
2019	10,853,000		-				10,853,000	0.47%	51,247	
2020	10,213,000		-				10,213,000	0.55%	55,802	
2021	9,553,000		-				9,553,000	0.58%	55,802	
2022	8,873,000		-				8,873,000	0.63%	55,802	

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Exhibit J-11

Fiscal Year Ended June 30,	Governmental Activities		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita Personal Income
	General Obligation Bonds	Deductions			
2013	3,946,000	-	3,946,000	0.58%	41,947
2014	3,626,000	-	3,626,000	0.31%	43,171
2015	3,296,000	-	3,296,000	0.28%	43,974
2016	2,956,000	-	2,956,000	0.25%	44,735
2017	11,841,000	-	11,841,000	1.02%	46,304
2018	11,481,000	-	11,481,000	1.00%	48,110
2019	10,853,000	-	10,853,000	0.95%	51,247
2020	10,213,000	-	10,213,000	0.90%	55,802
2021	9,553,000	-	9,553,000	0.84%	55,802
2022	8,873,000	-	8,873,000	0.78%	55,802

CITY OF SOMERS POINT SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2021

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
City of Somers Point	\$ 16,548,137	100.00%	\$ 16,548,137
Other Debt			
Mainland Regional High School District County of Atlantic	23,495,000 203,998,316	39.47% 3.56%	9,273,955 7,265,005
Subtotal, Overlapping Debt			33,087,097
City of Somers Point School District Direct Debt			<u>8,873,000</u>
Total Direct and Overlapping Debt			<u>\$ 41,960,097</u>

Sources:
 County of Atlantic
 Mainland Regional High School District
 Annual Debt Statement - City of Somers Point

CITY OF SOMERS POINT SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	40,057,390	37,566,756	36,317,722	34,788,181	34,417,011	33,856,323	33,793,921	34,003,185.99	34,392,613	35,670,752
Total net debt applicable to limit	3,946,000	3,626,000	3,296,000	2,956,000	11,841,000	11,481,000	10,853,000	10,213,000.00	9,553,000	8,873,000
Legal debt margin	36,111,390	33,940,756	33,021,722	31,832,181	22,576,011	22,375,323	22,940,921	23,790,186	24,839,613	26,797,752
Total net debt applicable to the limit as a percentage of debt limit	9.85%	9.65%	9.08%	8.50%	34.40%	33.91%	32.12%	30.04%	27.78%	24.87%

Equalized valuation basis	2021	2020	2019
	\$ 1,262,310,116	1,159,363,087	1,145,401,991
	\$ 3,567,075,194		

Average equalized valuation of taxable property	2021
	\$ 1,189,025,065

Debt limit (3% of average)	2021
	35,670,752
Net bonded school debt	2021
	8,873,000
Legal debt margin	2021
	\$ 26,797,752

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Demographic and Economic Statistics,
Last Ten Fiscal Years

Exhibit J-14

<u>Fiscal Year Ended June 30,</u>	<u>Population (a)</u>	<u>Personal Income (thousands of dollars) (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate</u>
2013	10,735	450,301,045	41,947	9.4%
2014	10,653	459,900,663	43,171	10.7%
2015	10,530	463,046,220	43,974	9.0%
2016	10,399	465,199,265	44,735	7.6%
2017	10,304	477,116,416	46,304	7.3%
2018	10,229	492,117,190	48,110	5.9%
2019	10,173	521,335,731	51,247	5.0%
2020	10,153	566,557,706	55,802	16.4%
2021	10,455	583,409,910	55,802	9.0%
2022	10,455	583,409,910	55,802	Not Available

Source:

- (a) U.S. Bureau of Census - Population Estimates
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (c) Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Census

CITY OF SOMERS POINT SCHOOL DISTRICT
Principal Employers,
Current Year and Ten Years Ago

Exhibit J-15

Employer	2022			2013		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
INFORMATION NOT AVAILABLE						
		1				
		2				
		3				
		4				
		5				
		6				
		7				
		8				
		9				
		10				
Totals	-			-		Not Available

CITY OF SOMERS POINT SCHOOL DISTRICT
Full-Time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

<u>Function/Program</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instruction:										
Regular instruction	92	92	96	96	96	89	91	91	89	83
Special education instruction	24	25	32	32	32	25	30	31	27	39
Support Services:										
Student & instruction related services	30	31	23	23	23	28	27	27	26	21
General administrative services	2	2	2	2	2	2	2	2	2	2
School administrative services	8	8	9	9	9	14	14	9	9	9
Business administrative services	4	4	4	4	4	4	4	4	4	4
Plant operations and maintenance	13	12	16	16	14	12	12	13	13	13
Pupil transportation			4	4	4	-				
Total	173	174	182	186	184	174	180	177	170	171

Source: District Personnel Records

CITY OF SOMERS POINT SCHOOL DISTRICT
 Operating Statistics,
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2013	1,060	16,960,273	16,000	10.76%	116	1:19	1:20	N/A	1,080	1,015	-1.82%	93.98%
2014	1,038	16,972,524	16,351	2.19%	113	1:11	1:8	N/A	1,096	1,059	1.48%	96.62%
2015	984	18,060,440	18,354	12.25%	113	1:11	1:8	N/A	1,003	954	-8.49%	95.11%
2016	963	18,242,265	18,943	3.21%	114	1:11	1:5	N/A	972	923	-3.09%	94.96%
2017	942	18,506,667	19,646	3.71%	116	1:9	1:9	N/A	951	906	-2.16%	95.27%
2018	924	19,334,298	20,925	6.51%	112	1:7	1:10	N/A	921	874	-3.15%	94.90%
2019	884	19,678,374	22,261	6.39%	101	1:14	1:13	N/A	884	835	-4.02%	94.46%
2020	853	19,689,604	23,083	3.69%	102	1:8.2	1:8.1	N/A	865	797	-2.15%	92.14%
2021	806	20,767,651	25,766	11.63%	101	1:8	1:8	N/A	797	710	-7.86%	89.08%
2022	790	22,914,051	29,005	12.57%	103	1:9	1:7	N/A	776	694	-2.63%	89.43%

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

CITY OF SOMERS POINT SCHOOL DISTRICT
School Building Information,
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Buildings</u>										
<u>Elementary</u>										
New York Avenue School										
Square Feet	13,841	13,841	13,841	13,841	13,841	10,000	10,000	10,000	10,000	10,000
Capacity (students)	150	150	150	150	150	150	150	150	150	150
Enrollment	80	79	72	74	70	72	72	74	56	68
Dawes Avenue School										
Square Feet	54,525	54,525	54,525	54,525	54,525	64,546	64,546	64,546	64,546	64,546
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	411	403	354	354	333	337	386	337	332	303
<u>Elementary/Middle School</u>										
Jordan Road School										
Square Feet	83,592	83,592	83,592	83,592	83,592	90,397	90,397	90,397	90,397	90,397
Capacity (students)	950	950	950	950	950	950	950	950	950	950
Enrollment	569	556	558	535	539	515	426	442	418	419

Number of Schools at June 30, 2022
 Elementary - 2
 Middle - 1

Source: District Records, ASSA, SRS, LRFP

CITY OF SOMERS POINT SCHOOL DISTRICT
 General Fund
 Schedule of Required Maintenance for School Facilities,
 Last Ten Fiscal Years
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
New York Avenue School	N/A	186,558	84,400	68,270	85,900	83,667	28,110	28,683	91,543	103,510	32,177
Dawes Avenue School	N/A	247,596	121,824	138,951	150,834	104,004	96,733	140,591	154,444	201,705	142,444
Jordan Road School	N/A	209,167	127,052	144,482	161,728	101,858	131,216	137,973	268,104	282,651	228,553
Total School Facilities		643,321	333,276	351,703	398,462	289,529	256,059	307,247	514,091	587,866	403,174
Other Facilities											
Grand Total		643,321	333,276	351,703	398,462	289,529	256,059	307,247	514,091	587,866	403,174

Source: District Records

CITY OF SOMERS POINT SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2022
(Unaudited)

Exhibit J-20

Company	Type of Coverage	Amount of Coverage	Deductible
ACCASBOJIF	School Package Policy - ACCASBOJIF:		
	Property, Inland Marine and Auto and		
	Physical Damages	\$ 175,000,000	\$ 500
	Boiler and Machinery	125,000,000	1,000
	Crime	500,000	500
	General and Automobile Liability	20,000,000	None
	Workers' Compensation	Statutory	None
	Educator's Legal Liability	20,000,000	None
	Pollution Legal Liability	3,000,000	25,000
	Cyber Liability	2,000,000	50,000-100,000
Crisis Protection & Disaster Management Services		1,000,000	10,000
Selective Insurance Company	Board Secretary Surety Bond	250,000	

Source: District Records

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Single Audit Section



FORD - SCOTT

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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

Honorable President and
Members of the Board of Education
City of Somers Point School District
County of Atlantic
Somers Point, 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 Somers Point 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 Somers Point School District's basic financial statements, and have issued our report thereon dated March 3, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Somers Point 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 Somers Point 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 Somers Point 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

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

March 3, 2023



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2

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

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

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the City of Somers Point 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 Somers Point School District's major federal and state programs for the year ended June 30, 2022. The City of Somers Point 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 Somers Point 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 Somers Point 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 Somers Point 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 Somers Point 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 City of Somers Point 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 Somers Point 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 City of Somers Point 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 City of Somers Points 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.

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

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No. 2080

March 3, 2023

SOMERS POINT SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2022

Federal Control/Pass Through Grantor/ Program Title	Federal Number	Grant or State Number	Grant Period From To	Program or Activity Amount	Balance June 30, 2021	Complier/ Amount	Cash Received	Budgetary Expenditures		(MEMO) Pass Through to Sub-Recipients	Adjustments	Repayment of Prior Balances	Accounts Receivable	Balance June 30, 2022	Out to Grantor
								Pass Through	Direct						
U.S. Department of Health and Human Services															
Passed Through State Department of Health and Human Services:															
General Assistance Program (SEMI)	93.778	2009NAJMAP	7/1/2021	50,145.91	-	-	36,469.39	(50,145.91)	(50,145.91)	-	-	-	(13,676.52)	-	-
Total General Fund							36,469.39	(50,145.91)	(50,145.91)				(13,676.52)		
Passed Through State Department of Education:															
Special Education Fund:															
Title I - Cluster A	84.010A	S010A210030	9/30/2022	386,732.00	-	-	165,536.00	(203,422.82)	(203,422.82)	-	(0.18) A	-	(53,959.00)	-	-
Title I - Part A	84.010A	S010A200030	9/30/2021	461,872.00	(118,591.00)	-	124,293.00	(5,702.00)	(5,702.00)	-	(0.50) A	-	(1,471.00)	-	-
Reallocated Title I	84.010A	S010A200030	7/1/2020	21,713.00	(11,500.00)	-	11,900.00	(5,702.00)	(5,702.00)	-	0.82 A	-	(2,012.00)	-	-
Total Title I Cluster					(130,091.00)		301,329.00	(209,124.82)	(209,124.82)		(0.19)		(57,887.00)		
Special Education Cluster:															
I.D.E.A. Part B, Basic	84.027A	H027A210100	7/1/2021	347,615.00	(42,979.00)	-	225,782.00	(279,740.85)	(279,740.85)	-	(0.15) A	-	(53,959.00)	-	-
I.D.E.A. Part B, Basic	84.027A	H027A200100	7/1/2020	316,350.00	(42,979.00)	-	42,979.00	(1,439.50)	(1,439.50)	-	(0.50) A	-	(76.00)	-	-
I.D.E.A. Part B, Basic	84.027A	H027A200100	7/1/2020	14,438.00	(29,527.00)	-	16,270.00	(1,460.50)	(1,460.50)	-	(0.50) A	-	(13,251.00)	-	21.61
I.D.E.A. Part B, Preschool	84.173A	H173A210114	7/1/2021	11,073.00	(9,128.00)	-	9,128.00	(9,903.70)	(9,903.70)	-	181.36 B	-	(9,787.00)	-	-
I.D.E.A. Part B, Preschool	84.173A	H173A200114	7/1/2020	10,961.00	(1,997.00)	-	117.00	(2,064.00)	(2,064.00)	-	(0.30) A	-	-	-	-
APP, IDEA Preschool	84.173X	H173X210114	7/1/2021	5,139.00	(2,071.00)	-	2,064.00	-	-	-	0.17	-	(57,442.00)	-	-
APP, IDEA Preschool	84.173X	H173X200114	7/1/2020	36,213.00	(40,698.39)	-	31,942.00	(13,428.20)	(13,428.20)	-	180.36	-	(23,116.00)	-	180.36
Total Special Education Cluster					(64,576.00)		279,616.00	(292,284.17)	(292,284.17)				(67,442.00)		
Elementary and Secondary Education Act (ESEA):															
Title II - Part A	84.367A	S367A210029	7/1/2021	77,663.00	(29,527.00)	-	1,383.00	(1,460.50)	(1,460.50)	-	(0.50) A	-	(76.00)	-	-
Title II - Part A	84.367A	S367A200029	7/1/2020	14,438.00	(29,527.00)	-	16,270.00	(1,460.50)	(1,460.50)	-	(0.50) A	-	(13,251.00)	-	21.61
Title III	84.365A	S365A190030	7/1/2018	18,601.00	(9,128.00)	-	9,128.00	(9,903.70)	(9,903.70)	-	181.36 B	-	(9,787.00)	-	-
Title III	84.365A	S365A200030	7/1/2020	16,152.00	(1,997.00)	-	117.00	(2,064.00)	(2,064.00)	-	(0.30) A	-	-	-	-
Title IV	84.424A	S424A210031	7/1/2021	36,213.00	(2,071.00)	-	2,064.00	-	-	-	0.17	-	(57,442.00)	-	-
Title IV	84.424A	S424A200031	7/1/2020	36,213.00	(2,071.00)	-	2,064.00	-	-	-	0.17	-	(57,442.00)	-	-
Total Elementary and Secondary Education Act (ESEA)					(60,698.39)		31,942.00	(13,428.20)	(13,428.20)				(23,116.00)		180.36
Education Stabilization Fund - Elementary and Secondary Education Act (ESEA)															
CARES Act Elementary & Secondary School Emergency Relief (ESSER)	84.425D	S425D200027	3/19/2020	507,664.00	(102,671.00)	-	54,412.00	(64,932.65)	(64,932.65)	-	(1.35) A	-	(103,193.00)	-	-
ESSER II - Supplemental	84.425D	S425D210027	9/30/2023	1,507,243.00	-	-	601,161.00	(608,453.41)	(608,453.41)	-	0.41 A	-	(337,292.00)	-	-
ESSER III - Supplemental	84.425D	S425D221027	9/30/2023	46,000.00	-	-	5,618.00	(6,518.00)	(6,518.00)	-	0.09 A	-	(3,035.00)	-	-
Total Education Stabilization Fund					(102,671.00)		665,957.00	(1,008,813.15)	(1,008,813.15)		(0.85)		(445,520.00)		19,987.00
Total Special Revenue Fund					(318,436.39)		1,298,141.00	(1,523,650.34)	(1,523,650.34)		179.70		(963,965.00)		20,177.36
U.S. Department of Agriculture															
Passed Through State Department of Education:															
Emergency Food Distribution Program	10.550	22NJ0304N1099	7/1/2021	37,213.90	-	-	37,213.90	(37,213.90)	(37,213.90)	-	-	-	-	-	-
Old Nurseries Cluster:															
Seamless Summer Option - Breakfast	10.553	21NJ0304N1099	7/1/2021	178,800.93	-	-	163,800.75	(178,800.93)	(178,800.93)	-	-	-	(15,200.18)	-	-
Seamless Summer Option - Lunch	10.555	21NJ0304N1099	7/1/2021	170,356.54	(8,555.86)	-	9,855.86	-	-	-	-	-	-	-	-
Seamless Summer Option - Lunch	10.555	21NJ0304N1099	7/1/2021	404,093.36	(11,572.80)	-	388,350.73	(404,093.36)	(404,093.36)	-	-	-	(35,742.63)	-	-
Seamless Summer Option - Lunch	10.555	21NJ0304N1099	7/1/2020	298,418.80	(37,488.00)	-	37,628.00	-	-	-	-	-	0.00	-	-
Seamless Summer Option - Lunch	10.555	202121S900941	7/1/2021	628.00	(614.00)	-	614.00	(628.00)	(628.00)	-	-	-	-	-	-
P-EBT Administrative Cost	10.555	202121S900941	6/30/2022	628.00	(614.00)	-	614.00	(628.00)	(628.00)	-	-	-	-	-	-
P-EBT Administrative Cost	10.555	202121S900941	6/30/2021	614.00	(603,031.66)	-	592,611.14	(683,322.29)	(683,322.29)	-	-	-	(50,942.81)	-	-
Total Child Nutrition Cluster					(603,031.66)		629,625.04	(620,736.19)	(620,736.19)				(50,942.81)		
Total Enterprise Fund					(378,468.05)		1,984,435.43	(6,194,532.44)	(6,194,532.44)		179.70		(626,564.33)		20,177.36
Total Federal Financial Awards					(378,468.05)		1,984,435.43	(6,194,532.44)	(6,194,532.44)		179.70		(626,564.33)		20,177.36
(A) Transfer to General Fund															
(B) Prior Year PO cancelled															

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

SOMERS POINT SCHOOL DISTRICT
Notes to the Schedules of Financial Assistance
June 30, 2022

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Note 1: General

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state award programs of the Board of Education, City of Somers Point 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 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. 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 Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes the payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two 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 last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$73,411.96 for the General Fund and (\$12,100.67) for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>On-Behalf Payments</u>	<u>Total</u>
General Fund	\$ 50,145.91	9,999,570.90	(3,701,646.00)	6,348,070.81
Special Revenue Fund	1,523,650.34	1,124,289.61		2,647,939.95
Debt Service Fund		224,639.00		224,639.00
Food Service Fund	620,736.19	9,490.03		630,226.22
Total Financial Assistance	<u>\$ 2,194,532.44</u>	<u>11,357,989.54</u>	<u>(3,701,646.00)</u>	<u>9,850,875.98</u>

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

SOMERS POINT SCHOOL DISTRICT
Notes to the Schedules of Financial Assistance
June 30, 2022

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Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 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.

Note 6: Adjustments

Both favorable and unfavorable differences incurred as a result of final grant payments being rounded by the grantor and are included in the schedule(s) of financial assistance in a column entitled "Adjustments."

**SOMERS POINT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

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Section I - Summary of Auditor's Results

Financial Statement

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

Federal Awards

Internal Control over major programs:				
• Material weakness(es) identified?	_____	yes	_____ X _____	no
• Significant deficiency(ies) identified?	_____	yes	_____ X _____	none reported
Type of auditor's report issued on compliance major programs			<u>Unmodified</u>	
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	_____	yes	_____ X _____	no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D	_____	Education Stabilization Fund - Elementary and
		Secondary School Emergency Relief Fund:
84.425D	S425D200027	CARES Act Elementary & Secondary School Emergency Relief (ESSER)
84.425D	S425D210027	CRRSA - ESSER II
84.425D	S425D210027	CRRSA - Learning Acceleration
84.425D	S425D210027	CRRSA - Mental Health
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar Threshold used to distinguish between type A and type B programs:		\$ <u>750,000</u>
Auditee qualified as low-risk auditee?	_____ X _____	yes _____ no

**SOMERS POINT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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Section I - Summary of Auditor's Results

State Awards

Internal Control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08

yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
	State Aid - Public Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Categorical Special Education Aid
495-034-5120-084	Security Aid
100-034-5120-044	Extraordinary Aid

Dollar Threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

**SOMERS POINT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

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II. Financial Statement Findings

There are none

III. Federal Awards and State Financial Assistance Findings and Questioned Costs

FEDERAL AWARDS:

Our audit disclosed no material Findings or Questioned Costs.

STATE AWARDS:

Our audit disclosed no material Findings or Questioned Costs.

Status of Prior Year Findings

None