

SUMMARY OR SYNOPSIS OF THE 2019-2020

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF

SOUTH ORANGE AND MAPLEWOOD DISTRICT

COUNTY OF ESSEX, NEW JERSEY

**BOARD OF EDUCATION
SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

Exhibit B-1
Page 1 of 2

	Major Fund				Total
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 28,367,607	\$ 1,612,633	\$ 63,070,021	\$ -	\$ 93,050,261
Receivables from Other Governments	1,947,615	192,718			2,140,333
Interfund Receivable		7,276		460,615	467,891
Restricted Cash and Cash Equivalents	77,406			-	77,406
Total Assets	\$ 30,392,628	\$ 1,812,627	\$ 63,070,021	\$ 460,615	\$ 95,735,891
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 2,537,889				\$ 2,537,889
Intergovernmental Accounts Payable:					
- State		43,761			43,761
Accrued Liabilities	226,772				226,772
Interfund Payable	496,871				496,871
Advances from Grantors		2,062,904			2,062,904
Total Liabilities	3,261,532	2,106,665	-	-	5,368,197
Fund Balances:					
Restricted for:					
Excess Surplus - Current Year	6,676,301				6,676,301
Excess Surplus - Prior Year - Designated for Subsequent Year Expenditures	3,453,594				3,453,594
Designated Maintenance Reserve	1,000,000				1,000,000
Capital Reserve Account	5,845,184				5,845,184
Maintenance Reserve	2,453,759				2,453,759
Assigned to:					
Year End Encumbrances	3,472,131				3,472,131
Designated for Subsequent Year's Expenditures	1,392,154				1,392,154
Capital Projects			63,070,021		63,070,021
Unassigned:					
General Fund	2,837,973				2,837,973
Special Revenue Fund		(294,038)			(294,038)
Debt Service				460,615	460,615
Total Fund balances	27,131,096	(294,038)	63,070,021	460,615	90,367,694
Total liabilities and fund balances	\$ 30,392,628	\$ 1,812,627	\$ 63,070,021	\$ 460,615	\$ 95,735,891

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

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:	\$ 90,367,694
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$128,880,931, and the accumulated depreciation is \$62,363,748.	66,517,183
Long-term liabilities, including bonds payable and bond premiums, and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(95,314,435)
Short-term Liabilities, including accrued interest on long-term debt, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,709,851)
Transactions related to long-term debt	
Issuance premium, net of amortization	(727,048)
The Net Pension Liability, and associated Deferred Inflows and Outflows of Resources of the District relating to its participation in the PERS system are not recognized in the funds using the current financial resources measurement focus, but are recognized in the statement of net position using the economic resources measurement focus. The decrease in net position is \$19,337,901. The carrying amounts of the individual components are as follows:	
Deferred Outflows of Resources:	
Difference between expected and actual experience	277,390
Change in Pension Assumptions	1,543,200
Change in Pension Proportion	750,060
Pension Payment Subsequent to Measurement Date	903,990
Accounts Payable for Pension Expense	(903,990)
Net Pension Liability	(15,454,611)
Deferred Inflows of Resources:	
Difference between expected and actual experience	(68,272)
Change in Pension Assumptions	(5,364,247)
Change in Pension Experience	(243,957)
Change in Pension Proportion	(777,464)
The Net Pension Liability of the District relating to its participation in the BOEPPFEC is not recognized in the funds using the current financial resources measurement focus, but are recognized in the statement of net position using the economic resources measurement focus. The decrease in net position is \$290,547. The carrying amounts of the individual components are as follows:	
Accounts Payable for Pension Expense	(45,854)
Net Pension Liability	(244,693)
The difference between the face amount of Refunded Bonds and the escrow deposit required to legally defease the Bonds is recorded as a decrease to fund balance in the governmental funds, but is carried on the statement of net position and amortized over the life of the Bonds. The Deferred Amount from Refunding is \$2,260,469 and accumulated amortization is \$1,336,172	924,297
Net position of governmental activities (A-2)	\$ <u>40,429,392</u>

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

**BOARD OF EDUCATION
SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

**Exhibit B-2
Page 1 of 2**

	Major Fund				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
REVENUES					
Local Tax Levy	\$ 120,915,789	\$	\$	\$ 3,688,929	\$ 124,604,718
Tuition-Individuals	5,275				5,275
Tuition - Other	34,372				34,372
Other Local Sources	629,987	110,726		460,615	1,201,328
State Sources	25,506,766	1,815,054		372,546	27,694,366
Federal Sources	123,049	2,023,434			2,146,483
Total Revenues	147,215,238	3,949,214	-	4,522,090	155,686,542
EXPENDITURES					
Current:					
Regular Instruction	37,131,938				37,131,938
Special Education Instruction	15,046,326	2,367,733			17,414,059
Other Special Instruction	1,773,977				1,773,977
Other Instruction	1,316,592				1,316,592
Support Services and Undistributed Costs:					
Tuition	11,808,231				11,808,231
Student & Instruction Related Services	12,428,749	1,727,371			14,156,120
School Administrative Services	4,861,288				4,861,288
General & Other Administrative Services	3,814,487				3,814,487
Plant Operations and Maintenance	12,846,086				12,846,086
Pupil Transportation	5,712,675				5,712,675
Unallocated Benefits	33,503,999				33,503,999
Debt Service:					
Principal				2,840,000	2,840,000
Interest and Other Charges				1,221,475	1,221,475
Capital Outlay	184,604		4,587,772		4,772,376
Cost of Issuance			752,118		752,118
Total Expenditures	140,428,952	4,095,104	5,339,890	4,061,475	153,925,421
Excess (Deficiency) of Revenues over Expenditures	6,786,286	(145,890)	(5,339,890)	460,615	1,761,121

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

BOARD OF EDUCATION
SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

Exhibit B-2
Page 2 of 2

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Bond Proceeds	\$	\$	\$ 64,400,000	\$	\$ 64,400,000
Premium on Bonds			752,118		752,118
Transfers Out	(83,885)				(83,885)
Total Other Financing Sources and Uses	(83,885)	-	65,152,118	-	65,068,233
Net Change in Fund Balances	6,702,401	(145,890)	59,812,228	460,615	66,829,354
Fund Balance—July 1	20,428,693	(148,148)	3,257,793	-	23,538,338
Fund Balance—June 30	\$ 27,131,096	\$ (294,038)	\$ 63,070,021	\$ 460,615	\$ 90,367,694

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

SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Recommendations:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
None
3. School Purchasing Programs
None
4. School Food Service
None
5. Student Body Activities
None
6. Application for State School Aid
None
7. Pupil Transportation
None
8. Facilities and Capital Assets
None
9. Miscellaneous
None
10. Status of Prior Year Audit Findings/Recommendations

There were no prior year recommendations as a result no correction action was required.

Acknowledgement

During the course of our audit, we received the complete cooperation of all the officials of the school district, and we greatly appreciate the courtesies extended to us.