

BOARD OF EDUCATION OF THE
BOROUGH OF SOMERDALE SCHOOL DISTRICT
SUMMARY OF AUDIT REPORT

The following is a summary of the audit for the fiscal year July 1, 2019 to June 30, 2020, as required by N.J.S.A. 18A:23-4 and 5.

BOROUGH OF SOMERDALE SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 1,926,937.24		\$ 1,596,508.49	\$ 0.81	\$ 3,523,446.54
Receivables, net:					
Interfunds Receivable:					
Special Revenue Fund	97,508.77				97,508.77
Payroll Agency Fund	4,409.82				4,409.82
Proprietary Fund	14,500.00				14,500.00
Receivables from Other Governments	43,984.63	\$ 260,462.00			304,446.63
Prepaid Expenses	13,619.98				13,619.98
Total Assets	\$ 2,100,960.44	\$ 260,462.00	\$ 1,596,508.49	\$ 0.81	\$ 3,957,931.74
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Interfund Payable		\$ 97,508.77			\$ 97,508.77
Accounts Payable	\$ 13,481.08	580.42			14,061.50
Unearned Revenue		170,579.21			170,579.21
Total Liabilities	13,481.08	268,668.40	\$ -	\$ -	282,149.48
Fund Balances:					
Nonspendable:					
Prepaid Expenses	13,619.98				13,619.98
Restricted:					
Capital Reserve	1,267,395.06				1,267,395.06
Capital Projects			1,596,508.49		1,596,508.49
Debt Service				0.81	0.81
Excess Surplus (2019-20)	180,930.17				180,930.17
Excess Surplus - Subsequent Year's Expenditures	307,609.09				307,609.09
Assigned:					
Other Purposes	52,965.15				52,965.15
Designated for Subsequent Year's Expenditures	13,619.91				13,619.91
Unassigned	251,340.00	(8,206.40)			243,133.60
Total Fund Balances	2,087,479.36	(8,206.40)	1,596,508.49	0.81	3,675,782.26
Total Liabilities and Fund Balances	\$ 2,100,960.44	\$ 260,462.00	\$ 1,596,508.49	\$ 0.81	

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 \$10,027,669.22 and the accumulated depreciation is \$3,942,994.98.	6,084,674.24
Accrued interest payable is not due and payable in the current period and therefore is not reported as liabilities in the funds.	(40,025.83)
Net Pension Liability	(662,922.00)
Accounts payable related to the April 1, 2021 required PERS pension contribution that is not to be liquidated with current financial resources	(42,970.00)
Deferred Outflows of Resources - Related to Pensions	214,394.00
Deferred Inflows of Resources - Related to Pensions	(393,837.00)
Long-term liabilities, including bonds and leases payable and compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(3,451,258.70)
Net position of governmental activities.	\$ 5,383,836.97

BOROUGH OF SOMERDALE SCHOOL DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Sources	\$ 4,721,505.00				\$ 4,878,101.00
Tuition Charges	84,458.18				84,458.18
Miscellaneous	58,826.28				58,826.28
State Sources	4,704,117.29	\$ 76,275.36		72,618.00	4,853,010.65
Federal Sources		274,421.03			274,421.03
Total Revenues	<u>9,568,906.75</u>	<u>350,696.39</u>	<u>\$ -</u>	<u>229,214.00</u>	<u>10,148,817.14</u>
EXPENDITURES:					
Current:					
Regular Instruction	2,627,538.08	320,384.81			2,947,922.89
Special Education Instruction	554,318.50				554,318.50
Other Special Instruction	317,242.70				317,242.70
Undistributed Expenditures:					
Tuition	98,912.22				98,912.22
Student and Instruction Related Services	729,343.88				821,785.86
School Administrative Services	724,865.33	92,441.98			724,865.33
Plant Operations and Maintenance	661,633.78				661,633.78
Pupil Transportation	175,022.69				175,022.69
Unallocated Benefits	1,445,920.72				1,445,920.72
Reimbursed TPAF and Social Security	1,345,238.89				1,345,238.89
Debt Service:					
Interest				129,215.74	129,215.74
Redemption of Principal	6,081.00			100,000.00	100,000.00
Assessment for Debt Service on SDA Funding	559,492.30				6,081.00
Capital Outlay	5,331.00		1,333,045.98		1,892,538.28
Transfer to Charter School					5,331.00
Total Expenditures	<u>9,250,941.09</u>	<u>412,826.79</u>	<u>1,333,045.98</u>	<u>229,215.74</u>	<u>11,226,029.60</u>
Excess (Deficiency) of Revenues over Expenditures	<u>317,965.66</u>	<u>(62,130.40)</u>	<u>(1,333,045.98)</u>	<u>(1.74)</u>	<u>(1,077,212.46)</u>

(Continued)

BOROUGH OF SOMERDALE SCHOOL DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES):					
Transfer from General Fund	\$ (64,035.00)	\$ 64,035.00			
Total Other Financing Sources and Uses	<u>(64,035.00)</u>	<u>64,035.00</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Change in Fund Balances	253,930.66	1,904.60	(1,333,045.98)	(1.74)	(1,077,212.46)
Fund Balance -- July 1	<u>1,833,548.70</u>	<u>(10,111.00)</u>	<u>2,929,554.47</u>	<u>2.55</u>	<u>4,752,994.72</u>
Fund Balance -- June 30	<u>\$ 2,087,479.36</u>	<u>\$ (8,206.40)</u>	<u>\$ 1,596,508.49</u>	<u>\$ 0.81</u>	<u>\$ 3,675,782.26</u>

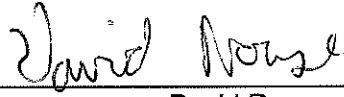
BOROUGH OF SOMERDALE SCHOOL DISTRICT

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2020

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 audit findings for the prior fiscal year.

The above summary was prepared from the Comprehensive Annual Financial Report of the Board of Education of the Borough of Somerdale School District for the fiscal year July 1, 2019 to June 30, 2020. This Report of Audit, submitted by Kirk N. Applegate, Public School Accountant of Bowman & Company LLP, is on file at the Board Secretary's office and may be inspected by any interested person. This information included herein is not intended to represent complete financial information as presented in the Comprehensive Annual Financial Report.

A handwritten signature in black ink that reads "David Rouse". The signature is written in a cursive style with a horizontal line underneath it.

David Rouse
Business Administrator/Board Secretary