

PINELANDS REGIONAL SCHOOL DISTRICT

Little Egg Harbor Township, New Jersey
County of Ocean

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2019**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
PINELANDS REGIONAL SCHOOL DISTRICT
LITTLE EGG HARBOR TOWNSHIP, NEW JERSEY**

YEAR ENDED JUNE 30, 2019

**PREPARED BY DISTRICT FINANCE OFFICER
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**

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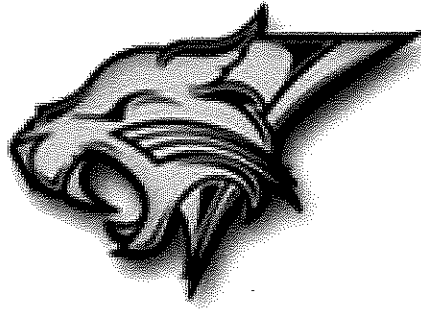
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INTRODUCTORY SECTION

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PINELANDS REGIONAL SCHOOL DISTRICT

520 Nugentown Road
P.O. Box 248
Little Egg Harbor, NJ 08087-0248
Telephone 609-296-3106
Fax 609-294-9519



MELISSA MCCOOLEY, Ed.D.
Superintendent

NICHOLAS K. BROWN
Business Administrator/Board Secretary

December 23, 2019

Honorable President and Members
of the Board of Education
Pinelands Regional School District
County of Ocean, New Jersey

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Pinelands Regional School District for the fiscal year ended June 30, 2019, 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 Pinelands Regional School District. 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, 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 district as of June 30, 2019, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Pinelands Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular, vocational as well as special education for children with special needs, adult education programs and school based youth services. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2018-2019	1,554	-1.15%
2017-2018	1,572	-0.82%
2016-2017	1,585	0.51%
2015-2016	1,577	-3.55%
2014-2015	1,635	-0.67%
2013-2014	1,646	-5.94%
2012-2013	1,750	-1.74%
2011-2012	1,781	-2.36%
2010-2011	1,824	-2.46%
2009-2010	1,870	0.00%

ECONOMIC CONDITION AND OUTLOOK

Pinelands Regional School District encompasses 147.7 square miles and is bordered by the municipalities of Washington Township and Woodland Township (Burlington County), Port Republic and Galloway Township (Atlantic County), and Stafford Township (Ocean County). The regional district is part of Burlington and Ocean Counties and is served by major transportation routes included the Garden State Parkway, Routes 9, 72, and 539. Governed by a nine-member Board of Education elected to serve alternating three year terms, the District is administered by a Superintendent of Schools, two Principals, a Board Secretary/School Business Administrator, four Assistant Principals, Directors and Supervisors.

The District currently operates a 10/12 High School and a 7/9 Junior High School. It embarked on an energy savings project in the Spring 2016 with an expected completion date in 2018. It will enable the District to upgrade aged building systems with more energy efficient equipment. The District successfully passed a \$53 million referendum to implement much needed infrastructure repairs and upgrades. Construction began in June 2016 with an expected completion date in 2019

The District has recently experienced a slight decline in enrollment after several years of stability. However, lack of adequate state funding, burdensome regulation, state mandates and a large special

education population continue to strain the resources of the District. However, due to prudent budgetary management, the District has been able to channel limited resources into programs for students from special education, to gifted and talented and advanced placement.

The economic outlook for the District financing continued to depend primarily on the ability and willingness of the Governor and State Legislature to provide funding for education, and the support of the local community in passing the District's budget to provide tax revenues.

The District cannot predict funding from the State and revenues from all other sources with any degree of certainty. Key factors that contribute to potential shortfalls include:

- Reduction of State Aid
- Lack of additional State Aid
- The cost of administering increasing state mandates and regulations, and
- The cost of meeting NCLB requirements.

In an effort to minimize property tax increases, the District continues to operate efficiently and aggressively seek cost savings in areas that do not impact the quality of programs.

MAJOR INITIATIVES

Despite the unrelenting pressure caused by inadequate financial support, the District continues its commitment to its primary goal of a free public education in the maximum development of each youngster's habits of acquiring, using and enjoying knowledge, so that he/she may develop a well-rounded, contributing member of our diverse world. To reinforce this commitment, the District is directing its efforts and resources toward the following:

- (a) Asset adjustments to provide academic services to a changing student body.
- (b) An aggressive campaign to achieve cost reduction where possible.
- (c) A coordinated effort to provide for the taxpayers and students of the affected communities.

The District embarked on a major capital improvement plan in June 2017 to address the failing educational environment. The upgrades should bring needed climate control, energy efficiencies safety and security to the school buildings.

INTERNAL ACCOUNTING CONTROLS

Management of the 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general 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 delivered; and (2) the valuation of costs and benefits require 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 evaluations by the district management.

As part of the School 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.

BUDGETARY CONTROLS

In addition to internal accounting controls, the 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. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

FINANCIAL POLICIES

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

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman Frenia Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting 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.

ACKNOWLEDGEMENTS

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

Respectfully submitted,

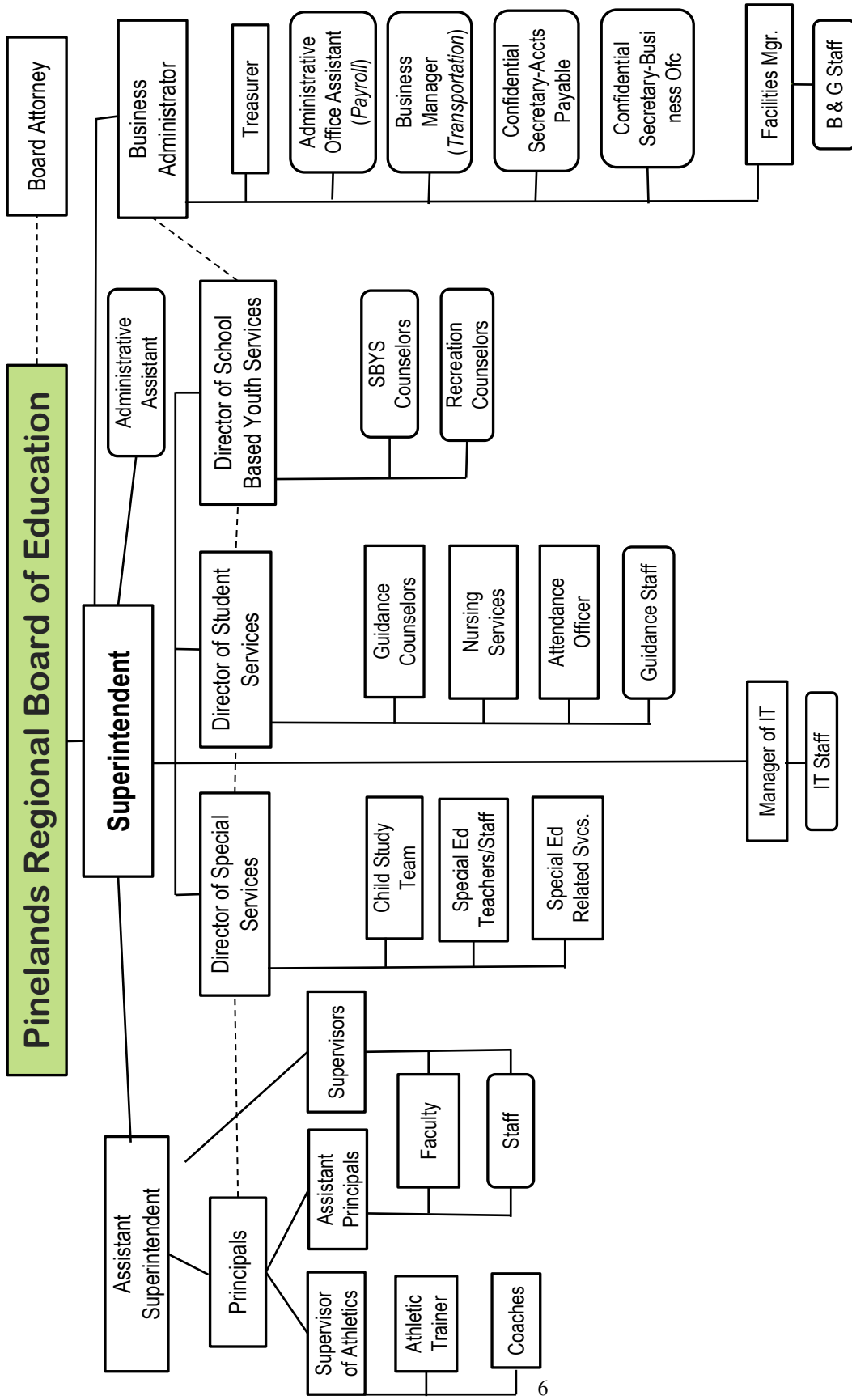


Superintendent



School Business Administrator/Board Secretary

Pinelands Regional Board of Education



**PINELANDS REGIONAL SCHOOL DISTRICT
LITTLE EGG HARBOR TOWNSHIP, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2019**

Members of the Board of Education

TERM EXPIRES

Susan M. Ernst, President	2019
Patricia Chambers, Vice President	2021
Christie Palladino	2020
Stephen Kubricki	2020
Betti Anne McVey	2022
Kim Hanadel	2020
Karen Poklikuha	2020
Thomas Williams	2021

Other Officials

Dr. Melissa McCoolley
Nicholas Brown
Christopher J. Mullins
Kasi Marie Gifford

**PINELANDS REGIONAL SCHOOL DISTRICT
LITTLE EGG HARBOR TOWNSHIP, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2019**

AUDITOR/AUDIT FIRM

Jerry W. Conaty, CPA, PSA, CFE, RMA
Holman Frenia Allison, P. C.
680 Hooper Avenue Building B , Suite 201
Toms River, New Jersey

ATTORNEY

Cooper Levenson P.A.
1125 Atlantic Avenue
Atlantic City, New Jersey 08401

OFFICIAL DEPOSITORY

OceanFirst Bank
975 Hooper Avenue
Toms River, NJ 08753

FINANCIAL SECTION

Second Section

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INDEPENDENT AUDITORS REPORT

Honorable President and Members
of the Board of Education
Pinelands Regional School District
County of Ocean
Little Egg Harbor, NJ

Report on the Financial Statements

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 Pinelands Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended, June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Pinelands Regional School District, County of Ocean , State of New Jersey, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* , and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules, and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents have not been subjected 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 23, 2019 on our consideration of the 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Toms River, New Jersey
December 23, 2019

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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PINELANDS REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2019
UNAUDITED

This section of the Pinelands Regional Public School Board of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2019. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year 2018-2019 and the prior fiscal year 2017-2018 is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2019 are as follows:

- In total, net position of governmental activities increased \$1,240,157.11, which represents a 85.42% increase from 2018. Total net position of business-type activities increased \$25,358.85, which represents a 5.99% increase from 2018.
- General revenues accounted for \$34,729,122.56 in revenue or 75.51% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$11,262,875.62 or 24.49% of total revenue of \$45,991,998.18.
- Total assets of governmental activities decreased by (\$2,254,257.48) as cash and cash equivalents decreased by (\$30,018,249.44), receivables increased by \$903,097.29, restricted cash and cash equivalents increased by \$948.39, and total capital assets increased by \$26,859,946.28.
- Total liabilities of governmental activities decreased by (\$5,758,991.68) as non-current liabilities due beyond one year decreased by (\$4,800,813.41).
- The District had \$43,806,897.54 in governmental activity expenses; only \$10,317,932.09 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) were adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$1,240,157.11.
- In the governmental funds, the general fund had \$36,259,840.02 in revenues and \$35,822,125.24 in expenditures. The general fund's fund balance increased by \$437,714.78 over 2018.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Pinelands Public School Board of Education as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

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

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

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The School District's three enterprise funds (Food Service Fund, Interlocal Agreements Fund, and Community Education Fund) are listed individually and are considered to be major funds.

The enterprise fund financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District uses trust and agency funds to account for resources held for student activities and groups, for payroll transactions, student scholarship fund and for the District's unemployment trust fund. The basic fiduciary fund financial statements can be found as Exhibits B-7 and B-8 in this report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Other Information. The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

The District's financial position is the result of several types of 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.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2019 and 2018, respectively:

Net Position
June 30, 2019

	Governmental Activities		Business-Type Activities	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Assets				
Current and Other				
Assets	\$ 16,029,062.98	\$ 45,143,266.74	\$ 854,321.01	\$ 894,907.50
Capital Assets, Net	63,448,522.94	36,588,576.66	45,983.46	29,052.00
Total Assets	<u>79,477,585.92</u>	<u>81,731,843.40</u>	<u>900,304.47</u>	<u>923,959.50</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	2,510,435.00	3,641,795.00	-	-
Deferred Charges on Refunding of Debt	222,090.91	251,279.00	-	-
Total Deferred Outflows of Resources	<u>2,732,525.91</u>	<u>3,893,074.00</u>	<u>-</u>	<u>-</u>
Liabilities				
Long-Term Liabilities	73,849,507.41	77,547,320.79	-	500,288.30
Other Liabilities	1,751,463.85	3,848,642.15	451,274.42	
Total Liabilities	<u>75,600,971.26</u>	<u>81,395,962.94</u>	<u>451,274.42</u>	<u>500,288.30</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	3,917,141.00	2,777,112.00	-	-
Total Deferred Inflows of Resources	<u>3,917,141.00</u>	<u>2,777,112.00</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in				
Capital Assets	14,814,619.08	15,854,931.43	45,983.46	29,052.00
Restricted	1,312,989.30	1,234,202.39	-	-
Unrestricted	(13,435,608.81)	(15,637,291.36)	403,046.59	394,619.20
Total Net Position	<u>\$ 2,691,999.57</u>	<u>\$ 1,451,842.46</u>	<u>\$ 449,030.05</u>	<u>\$ 423,671.20</u>

The District's largest net position component is the Restricted portion as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position increased \$78,786.91 from the prior year to \$1,312,989.3 at June 30, 2019.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$13,435,608.81) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2019 and 2018. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	June 30, 2019		
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 454,502.47	\$ 454,502.47
Operating Grants and Contributions	10,317,932.09	490,441.06	10,808,373.15
General Revenues:			
Property Taxes	21,434,889.00	-	21,434,889.00
Federal and State Aid	12,541,587.71	-	12,541,587.71
Miscellaneous	752,645.85	-	752,645.85
Total Revenues	45,047,054.65	944,943.53	45,991,998.18
Expenses:			
Instructional Services	26,025,726.87	-	26,025,726.87
Support Services	15,705,253.45	919,584.68	16,624,838.13
Interest and Other Charges	2,075,917.22	-	2,075,917.22
Total Expenses	43,806,897.54	919,584.68	44,726,482.22
Change in Net Position	1,240,157.11	25,358.85	1,265,515.96
Net Position, Beginning	1,451,842.46	423,671.20	1,875,513.66
Net Position, Ending	\$ 2,691,999.57	\$ 449,030.05	\$ 3,141,029.62
June 30, 2018			
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 459,851.34	\$ 459,851.34
Operating Grants and Contributions	13,322,979.66	427,367.01	13,750,346.67
General Revenues:			
Property Taxes	20,029,616.00		20,029,616.00
Federal and State Aid	12,171,870.68		12,171,870.68
Miscellaneous	443,829.79		443,829.79
Total Revenues	45,968,296.13	887,218.35	46,855,514.48
Expenses:			
Instructional Services	27,623,626.84		27,623,626.84
Support Services	17,975,364.83	997,893.15	18,973,257.98
Interest and Other Charges	1,265,015.00		1,265,015.00
Total Expenses	46,864,006.67	997,893.15	47,861,899.82
Change in Net Position	(895,710.54)	(110,674.80)	(1,006,385.34)
Net Position, Beginning	2,347,553.00	534,346.00	2,881,899.00
Net Position, Ending	\$ 1,451,842.46	\$ 423,671.20	\$ 1,875,513.66

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund and special revenue fund expenditures for the fiscal year ended Jun 30, 2019 and 2018 and the amount and percentage of increases and (decreases) in relation to prior year expenditures.

	June 30, 2019			
	Amount	Percent Of Total	Increase (Decrease) From 2018	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 13,528,837.30	19.76%	\$ 218,957.68	1.65%
Undistributed	23,811,614.33	34.77%	447,793.54	1.92%
Capital Outlay	28,049,967.32	40.96%	15,378,351.66	121.36%
Transfer to Charter Scho	39,018.00	0.06%	(7,901.00)	-16.84%
Debt Service:				
Principal	395,000.00	0.58%	(873,000.00)	-68.85%
Interest	2,649,102.16	3.87%	2,457,004.16	1279.04%
Special Schools	9,321.00	0.01%	3,359.50	56.35%
Total	\$ 68,482,860.11	100.00%	\$ 17,624,565.54	34.65%

	June 30, 2018			
	Amount	Percent Of Total	Increase (Decrease) From 2017	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 13,309,879.62	26.17%	\$ (63,781.38)	-0.48%
Undistributed	23,363,820.79	45.94%	1,451,821.79	6.63%
Capital Outlay	12,671,615.66	24.92%	6,860,606.66	118.06%
Transfer to Charter Scho	46,919.00	0.09%	23,722.00	0.00%
Debt Service:				
Principal	1,268,000.00	2.49%	33,000.00	2.67%
Interest	192,098.00	0.38%	(49,415.00)	-20.46%
Special Schools	5,961.50	0.01%	(922.50)	-13.40%
Total	\$ 50,858,294.57	100.00%	\$ 8,255,031.57	19.38%

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2018-2019 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2018-2019 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2018-2019 unassigned fund balance decreased by (\$1,041,991.93) to (\$392,702.84) (2% required per S-1701, net of allowable adjustments).

Proprietary Funds. The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of (\$53,173.19) in 2018-2019 as compared to a change in net position of (\$187,850.80) in 2017-2018. The food service fund required no contributions from the Board in 2018-2017 or in the 2018-2019 year. The Board has made significant changes to the varieties of offerings to appeal to the grade levels at each school. Although the food service operation is profitable, the district feels an investment in the program is needed to improve service and replace equipment, combined with the changes in the operations recommended by its food service consultant, will continue to ensure that the program’s financial remains positive over time.

Capital Assets

At June 30, 2019 the District has capital assets of \$63,494,506.4, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2019</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 412,912.30	\$ -
Construction In Progress	45,976,035.72	-
Land Improvements	97,795.39	-
Buildings/Construction	16,784,579.75	-
Machinery and Equipment	177,199.78	45,983.46
Total	<u>\$ 63,448,522.94</u>	<u>\$ 45,983.46</u>
	<u>June 30, 2018</u>	
	Governmental Activities	Business-Type Activities
Land	412,912.30	\$ -
Construction In Progress	17,933,228.00	-
Land Improvements	1,329,983.14	-
Buildings/Construction	38,484,548.34	-
Machinery and Equipment	1,538,253.93	29,052.00
Total	<u>\$ 59,698,925.71</u>	<u>\$ 29,052.00</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

At June 30, 2019 and 2018 the District’s outstanding debt issues included 57,375,000 and \$57,770,000 respectively of general obligation bonds, 1,392,264 and \$1,589,598 respectively in compensated absences payable, and \$5,071,000 and \$5,897,000 respectively in capital leases.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2019-2020 budget will be adequate to satisfy all 2019-2020 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2019-2020.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Nicholas Brown, the Business Administrator/Board Secretary's Office, Pineland Regional School District, 520 Nugentown Road, Little Egg Harbor, NJ 08087.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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PINELANDS REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2019

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 14,561,072.27	\$ 809,774.99	\$ 15,370,847.26
Receivables, Net (Note 4)	1,230,555.59	31,751.86	1,262,307.45
Inventory	-	12,794.16	12,794.16
Restricted Cash & Cash Equivalents	237,435.12	-	237,435.12
Capital Assets, Net (Note 5)			
Non-Depreciable	46,388,948.02	-	46,388,948.02
Depreciable	17,059,574.92	45,983.46	17,105,558.38
Total Assets	<u>79,477,585.92</u>	<u>900,304.47</u>	<u>80,377,890.39</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	2,510,435.00	-	2,510,435.00
Related to Loss on Debt Refunding	222,090.91	-	222,090.91
Total Deferred Outflow of Resources	<u>2,732,525.91</u>	<u>-</u>	<u>2,732,525.91</u>
LIABILITIES:			
Accounts Payable	1,035,954.47	-	1,035,954.47
Due to Other Governments	470,678.00	-	470,678.00
Unearned Revenue	29,166.80	-	29,166.80
Accrued Interest	666,939.00	-	666,939.00
Internal Balances	(451,274.42)	451,274.42	-
Noncurrent Liabilities (Note 7):			
Due Within One Year	2,360,401.03	-	2,360,401.03
Due in More Than One Year	71,489,106.38	-	71,489,106.38
Total Liabilities	<u>75,600,971.26</u>	<u>451,274.42</u>	<u>76,052,245.68</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	3,917,141.00	-	3,917,141.00
Total Deferred Inflow of Resources	<u>3,917,141.00</u>	<u>-</u>	<u>3,917,141.00</u>
NET POSITION:			
Net Investment in Capital Assets	14,814,619.08	45,983.46	14,860,602.54
Restricted for:			
Capital Projects	417,397.82	-	417,397.82
Debt Service	0.97	-	0.97
Maintenance Reserve	200,000.00	-	200,000.00
Excess Surplus	695,590.51	-	695,590.51
Unrestricted (Deficit)	<u>(13,435,608.81)</u>	<u>403,046.59</u>	<u>(13,032,562.22)</u>
Total Net Position	<u>\$ 2,691,999.57</u>	<u>\$ 449,030.05</u>	<u>\$ 3,141,029.62</u>

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

PINELANDS REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 18,043,388.61	\$ -	\$ 6,990,392.71	\$ -	\$ (11,052,995.89)	\$ -	\$ (11,052,995.89)
Special Education Instruction	6,156,572.86	-	2,067,397.36	-	(4,089,175.50)	-	(4,089,175.50)
Other Instruction	1,825,765.40	-	613,098.01	-	(1,212,667.39)	-	(1,212,667.39)
Support Services:							
Community Service Programs	166,945.52	-	-	-	(166,945.52)	-	(166,945.52)
Tuition	721,774.16	-	-	-	(721,774.16)	-	(721,774.16)
Student & Instruction Related Services	5,372,281.66	-	647,044.00	-	(4,725,237.66)	-	(4,725,237.66)
General Administrative	673,820.04	-	-	-	(673,820.04)	-	(673,820.04)
School Administrative Services	1,710,508.86	-	-	-	(1,710,508.86)	-	(1,710,508.86)
Central Services	443,251.91	-	-	-	(443,251.91)	-	(443,251.91)
Administrative Info. Technology	8,459.38	-	-	-	(8,459.38)	-	(8,459.38)
Plant Operations & Maintenance	3,492,114.45	-	-	-	(3,492,114.45)	-	(3,492,114.45)
Pupil Transportation	3,065,169.73	-	-	-	(3,065,169.73)	-	(3,065,169.73)
Charter Schools	39,018.00	-	-	-	(39,018.00)	-	(39,018.00)
Special Schools	11,909.72	-	-	-	(11,909.72)	-	(11,909.72)
Interest & Other Charges	2,075,917.22	-	-	-	(2,075,917.22)	-	(2,075,917.22)
Total Governmental Activities	43,806,897.54	-	10,317,932.09	-	(33,488,965.45)	-	(33,488,965.45)
Business-Type Activities:							
Food Service	883,387.01	375,711.35	454,502.47	-	-	(53,173.19)	(53,173.19)
Community Education	22,397.51	14,810.00	-	-	-	(7,587.51)	(7,587.51)
Interlocal Services	13,800.16	99,919.71	-	-	-	86,119.55	86,119.55
Total Business-Type Activities	919,584.68	490,441.06	454,502.47	-	-	25,358.85	25,358.85
Total Primary Government	\$ 44,726,482.22	\$ 490,441.06	\$ 10,772,434.56	\$ -	(33,488,965.45)	25,358.85	(33,463,606.60)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					19,466,804.00	-	19,466,804.00
Property Taxes, Levied for Debt Service					1,968,085.00	-	1,968,085.00
Federal & State Aid Restricted					1,069,915.00	-	1,069,915.00
Federal & State Aid Not Restricted					11,471,672.71	-	11,471,672.71
Tuition Charges					1,187.03	-	1,187.03
Interest					339,544.34	-	339,544.34
Miscellaneous					411,914.48	-	411,914.48
Total General Revenues					34,729,122.56	-	34,729,122.56
Change In Net Position					1,240,157.11	25,358.85	1,265,515.96
Net Position - Beginning					1,451,842.46	423,671.20	1,875,513.66
Net Position - Ending					\$ 2,691,999.57	\$ 449,030.05	\$ 3,141,029.62

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

B. Fund Financial Statements

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Governmental Funds

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**PINELANDS REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2019**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
ASSETS					
Cash & Cash Equivalents	\$ 830,658.41	\$ -	\$ 13,869,080.17	\$ 0.04	\$ 14,699,738.62
Receivables, Net:					
Interfund Receivable	1,032,900.28	-	-	0.93	1,032,901.21
Due from Other Governments:					
Federal	-	270,426.28	-	-	270,426.28
State	480,983.23	-	-	-	480,983.23
Other Accounts Receivable	472,236.22	-	-	-	472,236.22
Restricted Cash & Cash Equivalents	237,435.12	-	-	-	237,435.12
Total Assets	\$ 3,054,213.26	\$ 270,426.28	\$ 13,869,080.17	\$ 0.97	\$ 17,193,720.68
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 138,666.35	\$ -	\$ -	\$ 138,666.35
Accounts Payable	942,594.26	91,840.61	1,519.60	-	1,035,954.47
Interfund Payable	-	17,329.52	557,387.41	-	574,716.93
Unearned Revenue	6,577.00	22,589.80	-	-	29,166.80
Total Liabilities	949,171.26	270,426.28	558,907.01	-	1,778,504.55
Fund Balances:					
Restricted for:					
Capital Reserve	417,397.82	-	-	-	417,397.82
Maintenance Reserve	200,000.00	-	-	-	200,000.00
Excess Surplus	403,644.74	-	-	-	403,644.74
Excess Surplus Designated for Subsequent Year	291,945.77	-	-	-	291,945.77
Capital Projects	-	-	13,310,173.16	-	13,310,173.16
Debt Service	-	-	-	0.97	0.97
Assigned to:					
Designated for					
Subsequent Year	831,666.23	-	-	-	831,666.23
Other Purposes	353,090.28	-	-	-	353,090.28
Unassigned	(392,702.84)	-	-	-	(392,702.84)
Total Fund Balances	2,105,042.00	-	13,310,173.16	0.97	15,415,216.13
Total Liabilities & Fund Balances	\$ 3,054,213.26	\$ 270,426.28	\$ 13,869,080.17	\$ 0.97	

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 \$87,741,733.43 and the accumulated depreciation is \$24,293,210.49.	63,448,522.94
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows Related to Pensions	2,510,435.00
Deferred Inflows Related to Pensions	(3,917,141.00)
Deferred Outflow Related to the Loss on Bond Refunding of Debt	222,090.91
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(666,939.00)
Accrued pension contributions for the June 30, 2019 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(470,678.00)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(73,849,507.41)
Net Position of Governmental Activities	\$ 2,691,999.57

**PINELANDS REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2019**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 19,466,804.00	\$ -	\$ -	\$ 1,968,085.00	\$ 21,434,889.00
Tuition Charges	1,187.03	-	-	-	1,187.03
Miscellaneous	411,914.48	27,023.43	339,544.34	-	778,482.25
Total Local Sources	19,879,905.51	27,023.43	339,544.34	1,968,085.00	22,214,558.28
State Sources	15,975,472.46	493,945.00	-	1,069,915.00	17,539,332.46
Federal Sources	64,917.71	1,057,439.20	-	-	1,122,356.91
Total Revenues	35,920,295.68	1,578,407.63	339,544.34	3,038,000.00	40,876,247.65
Expenditures:					
Instruction:					
Regular Instruction	8,448,050.44	931,363.63	-	-	9,379,414.07
Special Education Instruction	3,200,343.76	-	-	-	3,200,343.76
Other Instruction	949,079.47	-	-	-	949,079.47
Support Services:					
Community Service Programs	130,657.89	-	-	-	130,657.89
Tuition	721,774.16	-	-	-	721,774.16
Attendance & Social Work Services	39,750.00	-	-	-	39,750.00
Health Services	216,458.45	-	-	-	216,458.45
Student & Instruction Related Services	3,301,298.83	647,044.00	-	-	3,948,342.83
General Administrative	527,357.11	-	-	-	527,357.11
School Administrative Services	1,338,709.08	-	-	-	1,338,709.08
Central Services	346,905.75	-	-	-	346,905.75
Administrative Information Technology	6,620.63	-	-	-	6,620.63
Plant Operations & Maintenance	3,373,916.69	-	-	-	3,373,916.69
Pupil Transportation	2,398,918.03	-	-	-	2,398,918.03
Unallocated Benefits	6,193,486.25	-	-	-	6,193,486.25
On Behalf TPAF Pension and Social Security Contributions	4,568,717.46	-	-	-	4,568,717.46
Transfer to Charter Schools	39,018.00	-	-	-	39,018.00
Capital Outlay	5,640.00	-	28,044,327.32	-	28,049,967.32
Debt Service:					
Principal	-	-	-	395,000.00	395,000.00
Interest & Other Charges	6,102.24	-	-	2,642,999.92	2,649,102.16
Special Schools	9,321.00	-	-	-	9,321.00
Total Expenditures	35,822,125.24	1,578,407.63	28,044,327.32	3,037,999.92	68,482,860.11
Excess/(Deficiency) of Revenues Over Expenditures	98,170.44	-	(27,704,782.98)	0.08	(27,606,612.46)
Other Financing Sources (Uses):					
Transfer to Other Funds	339,544.34	-	(339,544.34)	-	-
Total Other Financing Sources (Uses)	339,544.34	-	(339,544.34)	-	-
Net Changes in Fund Balances	437,714.78	-	(28,044,327.32)	0.08	(27,606,612.46)
Fund Balance, July 1	1,667,327.22	-	41,354,500.48	0.89	43,021,828.59
Fund Balance, June 30	\$ 2,105,042.00	\$ -	\$ 13,310,173.16	\$ 0.97	\$ 15,415,216.13

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

**PINELANDS REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ (27,606,612.46)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which depreciation exceeded capital outlays in the period.

	Depreciation Expense	\$ (1,182,861.29)	
	Capital Outlays	<u>28,042,807.72</u>	

26,859,946.43

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.

(4,695.15)

Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

1,221,000.00

Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

	Amortization of Premium on Bonds	36,401.03	
	Amortization of Loss on Bond Refunding	<u>(29,188.09)</u>	

7,212.94

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).

565,972.00

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

197,333.35

Change in Net Position of Governmental Activities

\$ 1,240,157.11

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Proprietary Funds

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**PINELANDS REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2019**

	MAJOR FUNDS			
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	COMMUNITY EDUCATION	INTERLOCAL SERVICES	TOTALS
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ 351,968.95	\$ 23,411.49	\$ 434,394.55	\$ 809,774.99
Accounts Receivable:				
Federal	19,888.21	-	-	19,888.21
State	363.65	-	-	363.65
Other Receivables	-	-	11,500.00	11,500.00
Interfund Receivable	-	21,075.00	-	21,075.00
Inventories	12,794.16	-	-	12,794.16
Total Current Assets	385,014.97	44,486.49	445,894.55	875,396.01
Noncurrent Assets:				
Capital Assets	506,133.00	-	-	506,133.00
Less: Accumulated Depreciation	(460,149.54)	-	-	(460,149.54)
Total Capital Assets, Net	45,983.46	-	-	45,983.46
Total Noncurrent Assets	45,983.46	-	-	45,983.46
Total Assets	430,998.43	44,486.49	445,894.55	921,379.47
LIABILITIES				
Current Liabilities:				
Interfund Payable	460,746.42	-	11,603.00	472,349.42
Total Current Liabilities	460,746.42	-	11,603.00	472,349.42
NET POSITION				
Net Investment in Capital Assets	45,983.46	-	-	45,983.46
Unrestricted	(75,731.45)	44,486.49	434,291.55	403,046.59
Total Net Position	\$ (29,747.99)	\$ 44,486.49	\$ 434,291.55	\$ 449,030.05

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

**PINELANDS REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2019**

	MAJOR FUNDS			
	BUSINESS-TYPE			
	ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	COMMUNITY EDUCATION	INTERLOCAL SERVICES	TOTALS
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 191,229.22	\$ -	\$ -	\$ 191,229.22
Daily Sales - Non-Reimbursable Programs	146,526.00	-	-	146,526.00
Interlocal Service Agreements	-	-	99,919.71	99,919.71
Community Education Program	-	14,810.00	-	14,810.00
Miscellaneous	37,956.13	-	-	37,956.13
Total Operating Revenues	375,711.35	14,810.00	99,919.71	490,441.06
Operating Expenses:				
Cost of Sales - Reimbursable Programs	326,092.61	-	-	326,092.61
Cost of Sales - Non-Reimbursable Programs	68,113.04	-	-	68,113.04
Salaries	341,842.85	14,048.04	13,800.16	369,691.05
Supplies and Materials	85,720.07	8,349.47	-	94,069.54
Depreciation	4,143.54	-	-	4,143.54
Management and Administrative Fees	57,474.90	-	-	57,474.90
Total Operating Expenses	883,387.01	22,397.51	13,800.16	919,584.68
Operating Income/(Loss)	(507,675.66)	(7,587.51)	86,119.55	(429,143.62)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	7,898.10	-	-	7,898.10
Federal Sources:				
National School Lunch Program	303,783.16	-	-	303,783.16
National School Breakfast Program	83,686.28	-	-	83,686.28
Food Distribution Program	55,826.65	-	-	55,826.65
National School After School Snack Program	438.39	-	-	438.39
Interest Revenue	2,869.89	-	-	2,869.89
Total Nonoperating Revenues/(Expenses)	454,502.47	-	-	454,502.47
Change in Net Position	(53,173.19)	(7,587.51)	86,119.55	25,358.85
Total Net Position - Beginning	23,425.20	52,074.00	348,172.00	423,671.20
Total Net Position - Ending	\$ (29,747.99)	\$ 44,486.49	\$ 434,291.55	\$ 449,030.05

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

**PINELANDS REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019**

	MAJOR FUNDS			
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	COMMUNITY EDUCATION	INTERLOCAL SERVICES	TOTALS
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 385,573.64	\$ 12,279.00	\$ 115,479.71	\$ 513,332.35
Payments to Employees	(341,842.85)	(14,048.04)	(13,800.16)	(369,691.05)
Payments for Employee Benefits	-	-	-	-
Payments to Suppliers	(521,679.01)	(29,424.47)	11,603.00	(539,500.48)
Net Cash Provided by/(Used for) Operating Activities	(477,948.22)	(31,193.51)	113,282.55	(395,859.18)
Cash Flows From Noncapital Financing Activities:				
State Sources	7,898.10	-	-	7,898.10
Federal Sources	387,907.83	-	-	387,907.83
Net Cash Provided by/(Used for) Noncapital Financing Activities	395,805.93	-	-	395,805.93
Cash Flows From Capital Financing Activities:				
Additions of Capital Assets	(21,075.00)	-	-	(21,075.00)
Net Cash Provided by/(Used for) Capital Financing Activities	(21,075.00)	-	-	(21,075.00)
Cash Flows From Investing Activities:				
Interest	2,869.89	-	-	2,869.89
Net Cash Provided by/(Used for) Capital & Related Financing Activities	2,869.89	-	-	2,869.89
Net Increase/(Decrease) in Cash & Cash Equivalents	(100,347.40)	(31,193.51)	113,282.55	(18,258.36)
Balances - Beginning of Year	452,316.35	54,605.00	321,112.00	828,033.35
Balances - End of Year	\$ 351,968.95	\$ 23,411.49	\$ 434,394.55	\$ 809,774.99
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Operating Income/(Loss)	\$ (507,675.66)	\$ (7,587.51)	\$ 86,119.55	\$ (429,143.62)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	4,143.54	-	-	4,143.54
Food Distribution Program	55,826.65	-	-	55,826.65
(Increase)/Decrease in Accounts Receivable, Net	9,862.29	-	15,560.00	25,422.29
(Increase)/Decrease in Inventories	(3,094.16)	-	-	(3,094.16)
Increase/(Decrease) in Interfund	64,231.42	(21,075.00)	11,603.00	54,759.42
Increase/(Decrease) in Unearned Revenue	-	(2,531.00)	-	(2,531.00)
Total Adjustments	29,727.44	(23,606.00)	27,163.00	33,284.44
Net Cash Provided/(Used) by Operating Activities	\$ (477,948.22)	\$ (31,193.51)	\$ 113,282.55	\$ (395,859.18)

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

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Fiduciary Fund

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**PINELANDS REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

	UNEMPLOYMENT COMPENSATION TRUST	PRIVATE- PURPOSE SCHOLARSHIP FUND	AGENCY FUNDS
ASSETS			
Cash & Cash Equivalents	\$ 7,797.95	\$ 92,837.32	\$ 447,293.57
Total Assets	<u>\$ 7,797.95</u>	<u>\$ 92,837.32</u>	<u>\$ 447,293.57</u>
LIABILITIES			
Interfund Payable	\$ -	\$ -	\$ 6,909.82
Payable for Student Related Activities	-	-	230,752.78
Payroll Deductions & Withholdings	-	-	209,630.97
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 447,293.57</u>
NET POSITION			
Restricted - Held in Trust for Unemployment Claims & Other Purposes	7,797.95	-	
Restricted - Scholarships	-	92,837.32	
Total Net Position	<u>\$ 7,797.95</u>	<u>\$ 92,837.32</u>	

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

**PINELANDS REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2019**

	UNEMPLOYMENT COMPENSATION TRUST	PRIVATE PURPOSE SCHOLARSHIP FUND
	<u> </u>	<u> </u>
ADDITIONS		
Contributions:		
Other	\$ -	\$ 110,985.72
	<u> </u>	<u> </u>
Total Contributions	-	110,985.72
	<u> </u>	<u> </u>
Investment Earnings:		
Interest	36.37	289.54
	<u> </u>	<u> </u>
Net Investment Earnings	36.37	289.54
	<u> </u>	<u> </u>
Total Additions	36.37	111,275.26
	<u> </u>	<u> </u>
DEDUCTIONS		
Unemployment Claims	658.76	-
Scholarships Awarded	-	99,400.00
	<u> </u>	<u> </u>
Total Deductions	658.76	99,400.00
	<u> </u>	<u> </u>
Change in Net Position	(622.39)	11,875.26
	<u> </u>	<u> </u>
Net Position - Beginning	8,420.34	80,962.06
	<u> </u>	<u> </u>
Net Position - Ending	<u>\$ 7,797.95</u>	<u>\$ 92,837.32</u>

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

PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

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**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Pinelands Regional School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The Pinelands Regional School District is a Type II School District located in the County of Ocean, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the School District is to educate students in grades seven through twelfth. The operation of the District includes one regional junior high and one senior high school, located Little Egg Harbor. The School District has an approximate enrollment at June 30, 2019 of 1,554 students.

The primary criterion for including activities within the School 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 School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, GASB 68, *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14.and No. 34* and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14*. The School District had no component units as of for the year ended June 30, 2019.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Department of Education the School District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

Community Education Fund - This fund accounts for the revenues and expenses pertaining to the District's adult educational services.

Inter-Local Services Fund - This fund accounts for revenues and expenses pertaining to the District's shared service agreements with other governmental agencies.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The School District's fiduciary funds include Agency and Private-Purpose Trust Funds. Private Purpose Trust and Agency Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Private Purpose Trust and Agency Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

The School District reports the following fiduciary funds:

Private Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The School District currently maintains the following private purpose trust funds:

Unemployment Trust Fund – Revenues consist of employee payroll withholdings, interest income, and contributions through the annual budget process of the School District. Expenditures consist of unemployment reimbursement claims.

Scholarship Fund – Revenues consist of interest income and donations. Expenditures consist of scholarships provided to students.

Agency Funds - Agency funds (payroll and student activity funds) are assets held by a governmental entity either as trustee or as an agent for other parties and cannot be used to finance the governmental entities own operating programs.

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. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (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 one or more June state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. 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.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

Tuition Receivable/Payable

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

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 School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

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 pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Fund Balance

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2019 and December 23, 2019 the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2019:

Statement No. 83, *Certain Asset Retirement Obligations*. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Statement No. 83 establishes guidance for determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to such obligations. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The Governmental Accounting Standards Board (GASB) has issued a new standard with guidance the GASB believes will enhance debt-related disclosures in notes to financial statements, including those addressing direct borrowings and direct placements. The new standard clarifies which liabilities governments should include in their note disclosures related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Implementation of this Statement did not have a significant impact on the School District's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 is effective for reporting periods beginning after December 15, 2018.

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after December 15, 2019. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management does not expect this Statement to have a material impact on the School District's financial statements.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Statement No. 90, *Majority Equity Interests - an amendment* of GASB Statements No. 14 and No. 61. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Statement No. 90 is effective for reporting periods beginning after December 15, 2018.

Statement No. 91, *Conduit Debt Obligations*, The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Statement No. 91 is effective for reporting periods beginning after December 15, 2020. Management has not yet determined the potential impact on the School District’s financial statements.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2019, the School District’s bank balance of \$18,097,563.14 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 17,361,214.15
Uninsured and Uncollateralized	736,348.99
	736,348.99
Total	\$ 18,097,563.14

Investments

The School District had no investments at June 30, 2019.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by inclusion of \$1,000 in the original 2000-2001 annual capital outlay budget, which was certified for taxes, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2018 to June 30, 2019 fiscal year is as follows:

Beginning Balance, July 1, 2018	\$	236,486.73
Increased by:		
Interest Earnings		911.09
Deposits Approved by Board		180,000.00
		180,000.00
Ending Balance, June 30, 2019	\$	417,397.82

The June 30, 2019 LRFP balance of local support costs of uncompleted capital projects at June 30, 2019 is \$2,975,000.00. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the School District’s Long Rang Facilities Plan.

Maintenance Reserve

The School District established a maintenance reserve account by inclusion of \$300,000 on June 25, 2009 for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 3. Reserve Accounts (Continued)

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the July 1, 2018 to June 30, 2019 fiscal year is as follows:

Beginning Balance, July 1, 2018	\$	-
Increased by:		
Deposits Approved by Board		200,000.00
Ending Balance, June 30, 2019	\$	200,000.00

Note 4. Accounts Receivable

Accounts receivable at June 30, 2019 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2019, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental <u>Activities</u>
	General <u>Fund</u>	Special Revenue <u>Fund</u>	
Federal Awards	\$ -	\$ 270,426.28	\$ 270,426.28
State Awards	480,983.23	-	480,983.23
Tuition	472,236.22	-	472,236.22
Other	6,909.86	-	6,909.86
Total	\$ 960,129.31	\$ 270,426.28	\$ 1,230,555.59
<u>Description</u>	Proprietary Funds		Total Business-Type <u>Activities</u>
	Food Service <u>Fund</u>	Community Education <u>Fund</u>	
Federal Awards	\$ 19,888.21	\$ -	\$ 19,888.21
State Awards	363.65	-	363.65
Other	-	11,500.00	11,500.00
Total	\$ 20,251.86	\$ 11,500.00	\$ 31,751.86

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2019 was as follows:

	Governmental Activities			Balance June 30, 2019
	Balance July 1, 2018	Additions	Retirements and Transfers	
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 412,912.30	\$ -	\$ -	\$ 412,912.30
Construction in Progress	17,933,228.00	28,042,807.72	-	45,976,035.72
Total Capital Assets not being depreciated	18,346,140.30	28,042,807.72	-	46,388,948.02
Capital Assets being depreciated:				
Land Improvements	1,329,983.14	-	-	1,329,983.14
Buildings and Improvements	38,484,548.34	-	-	38,484,548.34
Equipment	1,538,253.93	-	-	1,538,253.93
Total Capital Assets being depreciated	41,352,785.41	-	-	41,352,785.41
Less: Accumulated Depreciation:				
Land Improvements	(1,188,427.71)	(43,760.04)	-	(1,232,187.75)
Buildings and Improvements	(20,672,797.48)	(1,027,171.11)	-	(21,699,968.59)
Machinery and Equipment	(1,249,124.01)	(111,930.14)	-	(1,361,054.15)
Less: Accumulated Depreciation	(23,110,349.20)	(1,182,861.29)	-	(24,293,210.49)
Total Capital Assets being depreciated, net	18,242,436.21	(1,182,861.29)	-	17,059,574.92
Total Governmental Activities Capital Assets, net	\$ 36,588,576.51	\$ 26,859,946.43	\$ -	\$ 63,448,522.94
Business-Type Activities				
	Balance July 1, 2018	Additions	Retirements and Transfers	Balance June 30, 2019
	<u>2018</u>	<u>Additions</u>	<u>and Transfers</u>	<u>2019</u>
Business-Type Activities:				
Equipment				
Equipment	\$ 485,058.00	\$ 21,075.00	\$ -	\$ 506,133.00
Total Capital Assets being depreciated	485,058.00	21,075.00	-	506,133.00
Less: Accumulated Depreciation:				
Equipment	(456,006.00)	(4,143.54)	-	(460,149.54)
Total Capital Assets being depreciated, net	(456,006.00)	(4,143.54)	-	(460,149.54)
Total Business-Type Activities Capital Assets, net	\$ 29,052.00	\$ 16,931.46	\$ -	\$ 45,983.46

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 5. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the School District as follows:

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 428,927.31
Special Education Instruction	146,354.01
Other Instruction	43,402.08
Support Services:	
Community Service Programs	5,975.08
Student & Instruction Related Services	192,277.14
General Administrative	24,116.42
School Administrative Services	61,220.12
Central Services	15,864.25
Administrative Info. Technology	302.77
Plant Operations & Maintenance	154,291.62
Pupil Transportation	109,704.24
Special Schools	426.26
	426.26
Total Depreciation Expense - Governmental Activities	\$ 1,182,861.29

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2019 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 1,032,900.28	\$ -
Special Revenue Fund	-	17,329.52
Capital Projects Fund	-	557,387.41
Food Service	-	460,746.42
Community Education	21,075.00	-
Interlocal Services	-	11,603.00
Agency Fund	-	6,909.82
	\$ 1,053,976.21	\$ 1,053,976.21

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

There were no interfund transfers for the year ended June 30, 2019.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2019 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>June 30, 2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2019</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 57,770,000.00	\$ -	\$ 395,000.00	\$ 57,375,000.00	\$ 1,850,000.00
Capital Leases	5,897,000.00	-	826,000.00	5,071,000.00	474,000.00
Unamortized Bond Premiums	315,475.97	-	36,401.03	279,074.94	36,401.03
Compensated Absences	1,589,597.82	391,516.75	588,850.10	1,392,264.47	-
Net Pension Liability	11,975,247.00	5,313,215.00	7,556,294.00	9,732,168.00	-
	<u>\$ 77,547,320.79</u>	<u>\$ 5,704,731.75</u>	<u>\$ 9,402,545.13</u>	<u>\$ 73,849,507.41</u>	<u>\$ 2,360,401.03</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, capital leases, unamortized bond premiums and the net pension liability are liquidated by the general fund.

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

Purpose	Interest Rate	Maturity Date	Amount Issued	Amount Outstanding
Refunding Bonds	2.00%-4.00%	2/15/2027	\$ 5,275,000.00	\$ 3,730,000.00
Serial Bonds 2017	3.00%-3.50%	8/1/2042	53,645,000.00	\$ 53,645,000.00
				<u>\$ 57,375,000.00</u>

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 7. Long-Term Obligations (Continued)

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,850,000.00	\$ 1,781,068.76	\$ 3,631,068.76
2021	1,875,000.00	1,725,418.76	3,600,418.76
2022	1,920,000.00	1,668,718.76	3,588,718.76
2023	1,965,000.00	1,610,593.76	3,575,593.76
2024	2,020,000.00	1,546,618.76	3,566,618.76
2025-2029	10,450,000.00	6,725,018.80	17,175,018.80
2030-2034	11,955,000.00	5,006,118.80	16,961,118.80
2035-2039	13,940,000.00	3,020,128.14	16,960,128.14
2040-2043	11,400,000.00	765,937.50	12,165,937.50
	<u>\$ 57,375,000.00</u>	<u>\$ 23,849,622.04</u>	<u>\$ 81,224,622.04</u>

Capital Lease Payable

The School District is leasing capital items and equipment under capital leases. All capital leases are for terms of five to ten years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2019:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2020	\$ 637,342.29
2021	553,793.95
2022	411,185.00
2023	309,334.50
2024	318,106.50
2025-2029	1,695,937.00
2030-2034	1,900,916.50
2035	<u>824,513.50</u>
Total Minimum Lease Payments	6,651,129.24
Less: Amount Representing Interest	<u>(1,580,129.24)</u>
Present Value of Minimum Lease Payments	<u>\$ 5,071,000.00</u>

Amortization of the leased equipment and improvements under capital assets is included with depreciation expense.

Bonds Authorized but not Issued

As of June 30, 2019, the School District had no bonds authorized but not issued.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2019, the School District reported a liability of \$9,732,168.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2017, to the measurement date of June 30, 2018. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2018. The School District's proportion measured as of June 30, 2018, was 0.004942821%, which was a decrease of (0.0046500778)% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the School District recognized full accrual pension expense of \$496,346. in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2018 measurement date. At June 30, 2019 the School District reported 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 and Actual Experience	\$ 185,594.00	\$ 50,182
Changes of Assumptions	1,603,700.00	3,111,830
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	91,288
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	250,463.00	663,841.00
School District contributions subsequent to measurement date	470,678.00	-
	\$ 2,510,435.00	\$ 3,917,141.00

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

\$470,678. reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2018-2019 total salaries for PERS employees multiplied by an employer pension contribution rate of 13.37%. The payable is due on April 1, 2020 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2020	\$ 1,027,877.00
2021	515,124.00
2022	71,930.00
2023	(2,992,730.00)
2024	(52,973.00)
	<u>\$ (1,430,772.00)</u>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.73
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
Changes in Proportion and Differences between District Contributions Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The collective total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following assumptions:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
Investment Rate of Return	7.00%
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2018) 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2018 are summarized in the following table:

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2046 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2018, calculated using the discount rate of 5.66% as well as what the School 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 or 1-percentage point higher than the current rate:

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(4.66%)</u>	At Current Discount Rate <u>(5.66%)</u>	At 1% Increase <u>(6.66%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ 12,237,080	\$ 9,732,168	\$ 7,630,707

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2019 and 2018:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Collective Deferred Outflows of Resources	\$ 4,684,852,302	\$ 5,396,431,901
Collective Deferred Inflows of Resources	\$ 7,646,736,226	\$ 4,672,602,040
Collective Net Pension Liability	\$ 19,689,501,539	\$ 23,278,401,588
School District's portion	0.0494282%	0.051440%

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

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

The following represents the membership tiers for TPAF:

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

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.2% in State fiscal year 2017. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2018 was \$83,382,447.00. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2018, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.13107%, which was an increase of 0.00052% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the State of New Jersey recognized a pension expense in the amount of \$4,860,905 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2018 measurement date.

**PINELANDS REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.25%
Salary Increases:	
2012-2026	Varies Based on Experience
Thereafter	Varies Based on Experience
Investment Rate of Return	7.00%

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on generational basis based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

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, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2018 are summarized in the following table:

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 4.86% as of June 30, 2018. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 4.86% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(3.86%)</u>	At Current Discount Rate <u>(4.86%)</u>	At 1% Increase <u>(5.86%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 98,556,469	\$ 83,382,447	\$ 70,803,553

Pension Plan Fiduciary Net Position - 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 additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2019 and 2018:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Collective Deferred Outflows of Resources	\$ 12,675,037,111	\$ 14,353,461,035
Collective Deferred Inflows of Resources	\$ 16,381,811,884	\$ 11,992,821,439
Collective Net Pension Liability	\$ 63,806,350,446	\$ 67,670,209,171
School District's portion	0.1310677%	0.1305468%

C. Defined Contribution Retirement Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2017 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 8. Pension Plans (Continued)

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that 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, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, 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: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L, 2011, future retirees eligible for postretirement 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 total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2017. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.55% based on years of service	2.15 - 4.15% based on age	2.10 - 8.98% based on age
Thereafter	2.00 - 5.45% based on years of service	3.15 - 5.15% based on age	3.10 - 9.98% based on age

Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount- Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount- Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2011 – June 30, 2014, and July 1, 2010 – June 30, 2013 for TPAF, PFRS and PERS, respectively.

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2018 was \$66,123,981.00. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2018, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2018, the State proportionate share of the OPEB Obligation attributable to the School District was 0.14340227%, which was a decrease of (0.00154513%) from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the State of New Jersey recognized an OPEB expense in the amount of \$2,936,483.00 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2018 measurement date.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

The discount rate for June 30, 2018 was 3.87%, respectively. 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.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2018, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	6/30/2018		
	At 1% Decrease (2.87%)	At Discount Rate (3.87%)	At 1% Increase (4.87%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 78,172,006.13	\$ 66,123,981.00	\$ 56,547,045.18
State of New Jersey's Total Nonemployer OPEB Liability	\$ 54,512,391,175	\$ 46,110,832,982	\$ 39,432,461,816

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

The following presents the total nonemployer OPEB liability as of June 30, 2018, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	6/30/2018		
	At 1% Decrease (2.87%)	At Discount Rate (3.87%)	At 1% Increase (4.87%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 54,655,321.49	\$ 66,123,981.00	\$ 81,291,722.25
State of New Jersey's Total Nonemployer OPEB Liability	\$ 38,113,289,045	\$ 46,110,832,982	\$ 56,687,891,003

* See Healthcare Cost Trend Assumptions for details of rates.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2018 are as follows

Changes in Proportion	\$ 1,377,313,892	\$ (1,377,313,892)
Differences between Expected & Actual Experience	-	(4,476,086,167)
Changes in Assumption	-	(10,335,978,867)
Contributions Made in Fiscal Year Year Ending 2019 After June 30, 2018 Measurement Date **	TBD	-
	<u>\$ 1,377,313,892</u>	<u>\$ (16,189,378,926)</u>

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

Fiscal Year Ending June 30,	
2019	\$ (1,825,218,593)
2020	(1,825,218,593)
2021	(1,825,218,593)
2022	(1,825,218,593)
2023	(1,825,218,593)
Thereafter	<u>(5,685,972,069)</u>
	<u>\$ (14,812,065,034)</u>

** Employer Contributions made after June 30, 2018 are reported as a deferred outflow of resources, but are not amortized in expense.

Plan Membership

At June 30, 2017, the Program membership consisted of the following

	<u>June 30, 2017</u>
Active Plan Members	217,131
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>145,050</u>
Total Plan Members	<u><u>362,181</u></u>

Changes in the total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2019 (measurement date June 30, 2018) is as follows:

Service Cost	\$ 1,984,642,729
Interest Cost	1,970,236,232
Differences Between Expected and Actual Experiences	(5,002,065,740)
Changes in Assumptions	(5,291,448,855)
Contributions: Member	42,614,005
Gross Benefit Payments	<u>(1,232,987,247)</u>
Net Changes in Total OPEB Liability	\$ (7,529,008,876)
Total OPEB Liability (Beginning)	<u>53,639,841,858</u>
Total OPEB Liability (Ending)	<u><u>\$ 46,110,832,982</u></u>
Total Covered Employee Payroll	13,640,275,833
Net OPEB Liability as a Percentage of Payroll	338%

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2019, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$2,494,899, \$941,157, \$1,131,682, and \$979, respectively.

Note 11. Risk Management

The School 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.

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018-2019	\$ 36.37	\$ 658.76	7,797.95
2017-2018	27.18	657.00	8,420.34
2016-2017	11.00	717.00	9,050.16

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

Joint Insurance Pool – The School District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property - Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Workers' Compensation
School Board Legal Liability	Comprehensive Crime Coverage
Employer Liability	Excess Liability

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2019 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Economic Dependency – The School District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the School District’s programs and activities.

Note 13. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable
NY Life

VALIC
Sharehold Service Group

Ameriprise Financial Services

Note 14. Compensated Absences

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

School District employees are granted varying amount of vacation and sick leave in accordance with the School District’s personnel policies. Upon termination, employees are paid for accrued vacation. The School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with School Districts’ agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2019, the liability for compensated absences reported was \$1,392,264.47.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district. For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2019 was \$403,644.74.

Note 17. Fund Balances

General Fund – Of the \$2,105,042. General Fund fund balance at June 30, 2019, \$417,397.82 has been restricted for the Capital Reserve Account; \$200,000.00 has been restricted for the Maintenance Reserve Account; \$291,945.77 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$403,644.74 is restricted for current year excess surplus; \$831,666.23 has assigned designated to subsequent year, \$353,090.28 has been assigned to other purposes, and (\$392,702.84) is unassigned.

Debt Service Fund – Of the 0.97 Debt Service Fund fund balance at June 30, 2019, 0.97 is restricted for future debt service payments.

Capital Projects Fund – Of the \$13,310,173.16 Capital Projects Fund fund balance at June 30, 2019, \$13,310,173.16 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$13,435,608.81 at June 30, 2019. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2019. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 19,466,804.00	\$ -	\$ 19,466,804.00	\$ -
Tuition From Other LEAs Outside the State	-	-	1,187.03	1,187.03
Unrestricted Miscellaneous Revenues	-	2,000.00	411,914.48	409,914.48
Interest Earned on Capital Reserve Funds	2,000.00	(2,000.00)	-	-
Total Local Sources	19,468,804.00	-	19,468,804.00	411,101.51
State Sources:				
School Choice Aid	66,582.00	-	66,582.00	-
Categorical Transportation Aid	898,788.00	-	898,788.00	-
Extraordinary Aid	200,000.00	-	200,000.00	90,853.00
Categorical Special Education Aid	1,098,899.00	-	1,098,899.00	-
Equalization Aid	8,420,721.00	-	8,420,721.00	-
Categorical Security Aid	387,815.00	-	387,815.00	-
Adjustment Aid	549,573.00	(294,292.00)	255,281.00	-
Other State Aids	-	-	6,261.00	6,261.00
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	2,494,899.00	2,494,899.00
TPAF Social Security (reimbursed)	-	-	941,157.46	941,157.46
TPAF Post Retirements	-	-	1,131,682.00	1,131,682.00
TPAF Long-Term Disability Insurance (on behalf)	-	-	979.00	979.00
Total State Sources	11,622,378.00	(294,292.00)	11,328,086.00	4,665,831.46
Federal Sources:				
Medicaid Reimbursement	48,479.00	-	48,479.00	16,438.71
Total Federal Sources	48,479.00	-	48,479.00	16,438.71
Total Revenues	31,139,661.00	(294,292.00)	30,845,369.00	5,093,371.68

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Grades 6-8 - Salaries of Teachers	11-130-100-101	3,875,135.00	(158,186.33)	3,716,948.67	10,713.50
Grades 9-12 - Salaries of Teachers	11-140-100-101	4,185,061.00	(140,064.43)	4,044,996.57	-
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	45,000.00	(6,385.94)	38,614.06	-
Purchased Professional - Educational Services	11-150-100-320	25,000.00	5,644.25	30,644.25	998.88
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	11-190-100-320	10,075.00	(1,603.04)	8,471.96	634.25
Other Purchased Services	11-190-100-500	366,990.00	(9,597.08)	357,392.92	(11,713.32)
General Supplies	11-190-100-610	281,496.00	(5,826.18)	275,669.82	93,039.49
Textbooks	11-190-100-640	61,380.00	10,139.95	71,519.95	7,547.96
Other Objects	11-190-100-800	13,442.00	-	13,442.00	8,429.00
Total Regular Programs - Instruction		8,863,579.00	(305,878.80)	8,557,700.20	109,649.76
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	264,894.00	(147,194.00)	117,700.00	-
Other Salaries for Instruction	11-204-100-106	-	80,500.00	80,500.00	-
General Supplies	11-204-100-610	5,560.00	(800.00)	4,760.00	1,133.19
Total Learning and/or Language Disabilities		270,454.00	(67,494.00)	202,960.00	1,133.19
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	11-209-100-101	255,017.00	476.00	255,493.00	489.81
Other Purchased Services	11-209-100-500	1,000.00	(500.00)	500.00	500.00
General Supplies	11-209-100-610	3,000.00	(254.58)	2,745.42	501.49
Other Objects	11-209-100-800	500.00	-	500.00	350.00
Total Behavioral Disabilities		259,517.00	(278.58)	259,238.42	1,841.30
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	11-212-100-101	120,870.00	(58,370.00)	62,500.00	1,842.00
Other Salaries for Instruction	11-212-100-106	110,874.00	(23,874.00)	87,000.00	214.50
Other Purchased Services	11-212-100-500	4,625.00	(2,929.00)	1,696.00	-
General Supplies	11-212-100-610	4,915.00	(1,000.00)	3,915.00	1,185.95
Total Multiple Disabilities		241,284.00	(86,173.00)	155,111.00	3,242.45

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction: Resource Room/Resource Center:					
Salaries of Teachers	11-213-100-101	1,792,752.00	254,099.17	2,046,851.17	178.67
Other Salaries	11-213-100-106	96,002.00	43,038.00	139,040.00	-
General Supplies	11-213-100-610	7,025.00	8,709.58	15,734.58	104.42
Total Resource Room/Resource Center		1,895,779.00	305,846.75	2,201,625.75	283.09
Special Education - Instruction: Autism:					
Salaries of Teachers	11-214-100-101	61,710.00	790.00	62,500.00	-
Other Salaries for Instruction	11-214-100-106	148,154.00	15,655.06	163,809.06	571.71
Other Purchased Services	11-214-100-500	1,000.00	(1,000.00)	-	-
General Supplies	11-214-100-610	1,500.00	-	1,500.00	598.94
Other Objects	11-214-100-800	1,500.00	(801.00)	699.00	699.00
Total Autism		213,864.00	14,644.06	228,508.06	1,869.65
Special Education - Instruction: Home Instruction:					
Salaries of Teachers	11-219-100-101	72,114.00	36,371.55	108,485.55	-
Purchased Professional - Educational Services	11-219-100-320	50,000.00	4,435.27	54,435.27	1,650.61
Total Home Instruction		122,114.00	40,806.82	162,920.82	1,650.61
Total Special Education - Instruction		3,003,012.00	207,352.05	3,210,364.05	10,020.29
Basic Skills/Remedial - Instruction: Salaries of Teachers	11-230-100-101	-	807.00	807.00	807.00
Other Purchased Services	11-230-100-500	-	30.34	30.34	30.34
General Supplies	11-230-100-610	-	2,521.00	2,521.00	-
Total Basic Skills/Remedial - Instruction		-	3,358.34	3,358.34	837.34
Bilingual Education - Instruction: Salaries of Teachers	11-240-100-101	-	407.00	407.00	407.00
Other Purchased Services	11-240-100-500	400.00	-	400.00	400.00
General Supplies	11-240-100-610	2,800.00	-	2,800.00	2,627.37
Textbooks	11-240-100-640	1,500.00	-	1,500.00	201.44
Other Objects	11-240-100-800	500.00	-	500.00	10.00
Total Bilingual Education - Instruction		5,200.00	407.00	5,607.00	1,281.07

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2019		VARIANCE FINAL TO ACTUAL
		BUDGET TRANSFERS	FINAL BUDGET	
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:				
Salaries	158,370.00	12,190.50	170,560.50	-
Other Objects	13,500.00	(2,000.00)	11,500.00	8,399.85
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction	171,870.00	10,190.50	182,060.50	8,399.85
School-Sponsored Athletics - Instruction:				
Salaries	631,284.00	(13,256.47)	618,027.53	16,935.75
Purchased Services	15,500.00	(2,009.50)	13,490.50	642.50
Supplies and Materials	81,850.00	341.79	82,191.79	26,306.36
Other Objects	91,450.00	10,380.00	101,830.00	3,976.07
Total School-Sponsored Athletics - Instruction	820,084.00	(4,544.18)	815,539.82	47,860.68
Summer School - Support Services:				
Other Purchased Serv. (400-500 series)	-	1,000.00	1,000.00	107.25
Total Summer School - Support Services:	-	1,000.00	1,000.00	107.25
Community Service Programs:				
Salaries	130,658.00	(0.11)	130,657.89	-
Total Community Service Programs	130,658.00	(0.11)	130,657.89	-
Undistributed Expenditures - Instruction (Tuition):				
Tuition to Other LEAs Within State - Regular	14,600.00	266.01	14,866.01	2,669.44
Tuition to Other LEAs Within State - Special	50,600.00	(27,884.26)	22,715.74	-
Tuition to County Vocational School - Regular	74,800.00	14,430.10	89,230.10	16,195.90
Tuition to County Special Services & Regular Day Schools	295,421.00	38,799.00	334,220.00	50,070.27
Tuition to Private School Disabled - Within State	356,000.00	(30,203.50)	325,796.50	46,461.52
Tuition - State Facilities	36,247.00	-	36,247.00	4,027.06
Tuition - Other	35,000.00	15,797.72	50,797.72	32,674.72
Total Undistributed Expenditures - Instruction (Tuition)	862,668.00	11,205.07	873,873.07	152,098.91
Undistributed Expenditures Attendance and Social Work:				
Salaries	39,270.00	480.00	39,750.00	-
Other Purchased Services	250.00	-	250.00	250.00
Supplies and Materials	3,000.00	-	3,000.00	3,000.00
Total Undistributed Expenditures Attendance and Social Work	42,520.00	480.00	43,000.00	3,250.00

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	155,210.00	35,227.87	190,437.87	-
Purchased Professional & Technical Services	11-000-213-300	4,000.00	9,000.00	13,000.00	664.00
Other Purchased Services	11-000-213-500	3,000.00	6,725.00	9,725.00	2,609.00
Supplies and Materials	11-000-213-600	6,050.00	534.25	6,584.25	222.12
Other Objects	11-000-213-800	200.00	12.90	212.90	6.45
Total Undistributed Expenditures - Health Services		168,460.00	51,500.02	219,960.02	3,501.57
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	169,014.00	686.00	169,700.00	228.80
Purchased Professional - Educational Services	11-000-216-320	59,000.00	21,397.00	80,397.00	6,115.22
Supplies and Materials	11-000-216-600	4,697.00	1,385.01	6,082.01	25.00
Total Undistributed Expenditures - Speech, OT, PT and Related Services		232,711.00	23,468.01	256,179.01	6,369.02
Undistributed Expenditures - Other Support Services - Extra Services:					
Salaries	11-000-217-100	147,771.00	0.07	147,771.07	6,893.47
Purchased Professional - Educational Services	11-000-217-320	70,000.00	54,693.00	124,693.00	1,349.50
Total Undistributed Expenditures - Other Support Services - Extra Services		217,771.00	54,693.07	272,464.07	8,242.97
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	680,952.00	9,848.00	690,800.00	523.35
Salaries of Secretaries & Clerical Assistants	11-000-218-105	203,618.00	2,301.69	205,919.69	-
Other Purchased Professional and Technical Services	11-000-218-390	44,500.00	8,495.48	52,995.48	1,652.79
Other Purchased Services	11-000-218-500	5,000.00	(500.00)	4,500.00	3,900.00
Supplies and Materials	11-000-218-600	13,500.00	(22.15)	13,477.85	3,871.11
Other Objects	11-000-218-800	1,500.00	-	1,500.00	545.00
Total Undistributed Expenditures - Guidance		949,070.00	20,123.02	969,193.02	10,492.25

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	621,089.00	(16,464.34)	604,624.66	384.80
Salaries of Secretaries & Clerical Assistants	11-000-219-105	120,131.00	(5,025.01)	115,105.99	2,894.03
Purchased Professional - Educational Services	11-000-219-320	15,600.00	(12,667.76)	2,932.24	-
Other Purchased Services	11-000-219-500	5,500.00	12,282.00	17,782.00	6,284.50
Miscellaneous Purchased Services	11-000-219-592	8,000.00	3,695.00	11,695.00	2,459.72
Supplies and Materials	11-000-219-600	3,566.00	(250.00)	3,316.00	292.81
Other Objects	11-000-219-800	1,000.00	(180.00)	820.00	-
Total Undistributed Expenditures - Child Study Teams		774,886.00	(18,610.11)	756,275.89	12,315.86
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	487,744.00	34,696.52	522,440.52	21,607.60
Salaries of Sec. and Clerical Assist.	11-000-221-105	146,906.00	(20,909.01)	125,996.99	-
Purchased Professional - Educational Services	11-000-221-320	4,000.00	-	4,000.00	-
Other Purchased Services	11-000-221-500	500.00	700.00	1,200.00	-
Supplies and Materials	11-000-221-600	750.00	-	750.00	32.38
Other Objects	11-000-221-800	2,858.00	(699.00)	2,159.00	573.26
Total Undistributed Expenditures - Improvement of Instruction Services		642,758.00	13,788.51	656,546.51	22,213.24
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	114,776.00	924.00	115,700.00	87.85
Salaries of Technology Coordinators	11-000-222-177	308,490.00	222.57	308,712.57	1,396.23
Purchased Professional and Technical Services	11-000-222-300	6,719.00	1.00	6,720.00	3,037.94
Other Purchased Services	11-000-222-500	9,750.00	-	9,750.00	5,391.26
Supplies and Materials	11-000-222-600	19,050.00	(5,640.00)	13,410.00	3,522.95
Other Objects	11-000-222-800	1,200.00	-	1,200.00	611.00
Total Undistributed Expenditures - Educational Media Services/Library		459,985.00	(4,492.43)	455,492.57	14,047.23
Undistributed Expenditures - Instructional Staff Training Services:					
Purchased Professional - Educational Services	11-000-223-320	16,000.00	-	16,000.00	8,985.25
Supplies and Materials	11-000-223-600	6,000.00	-	6,000.00	4,186.42
Total Undistributed Expenditures - Instructional Staff Training Services		22,000.00	-	22,000.00	13,171.67

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2019		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Support Services - General Administration:					
Salaries	11-000-230-100	268,026.00	(163,591.00)	104,435.00	-
Legal Services	11-000-230-331	87,600.00	9,995.94	97,595.94	70,031.82
Audit Fees	11-000-230-332	34,000.00	(62.00)	33,938.00	-
Other Purchased Professional Services	11-000-230-339	6,000.00	147,312.50	153,312.50	144,263.71
Communications/Telephone	11-000-230-530	131,600.00	(23,869.50)	107,730.50	76,409.73
Other Purchased Services	11-000-230-590	98,500.00	7,146.33	105,646.33	90,125.61
General Supplies	11-000-230-610	4,500.00	(1,500.00)	3,000.00	1,121.45
BOE In-House Training/Meeting Supplies	11-000-230-630	5,000.00	-	5,000.00	2,609.06
Miscellaneous Expenditures	11-000-230-890	4,000.00	(3,527.33)	472.67	472.67
BOE Membership Dues and Fees	11-000-230-895	8,500.00	-	8,500.00	4,422.73
Total Undistributed Expenditures -		647,726.00	(28,095.06)	619,630.94	92,273.83
Support Services - General Administration					
Undistributed Expenditures -					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	11-000-240-103	948,642.00	58,413.99	1,007,055.99	970,041.11
Salaries of Secretaries & Clerical Assistants	11-000-240-105	238,298.00	64,572.75	302,870.75	302,870.75
Purchased Professional & Technical Services	11-000-240-300	525.00	(525.00)	-	-
Other Purchased Services	11-000-240-500	19,750.00	(1,261.98)	18,488.02	5,681.61
Supplies and Materials	11-000-240-600	50,265.00	1,750.00	52,015.00	37,975.86
Other Objects	11-000-240-800	18,405.00	4,000.00	22,405.00	22,139.75
Total Undistributed Expenditures -		1,275,885.00	126,949.76	1,402,834.76	1,338,709.08
Support Services - School Administration					
Undistributed Expenditures - Central Services:					
Salaries	11-000-251-100	301,459.00	(77,132.45)	224,326.55	219,892.14
Purchased Professional Services	11-000-251-330	-	60,920.00	60,920.00	60,852.83
Purchased Technical Services	11-000-251-340	57,200.00	896.00	58,096.00	56,727.25
Miscellaneous Purchased Services	11-000-251-592	7,000.00	(2,811.97)	4,188.03	4,188.03
Supplies and Materials	11-000-251-600	5,500.00	(1,309.00)	4,191.00	4,191.00
Miscellaneous Expenditures	11-000-251-890	3,000.00	(1,945.00)	1,055.00	1,054.50
Total Undistributed Expenditures - Central Services		374,159.00	(21,382.42)	352,776.58	346,905.75
Undistributed Expenditures - Administrative Information Technology:					
Other Purchased Services	11-000-252-500	2,000.00	-	2,000.00	897.00
Supplies and Materials	11-000-252-600	9,000.00	-	9,000.00	5,723.63
Total Undistributed Expenditures - Administrative Information Technology		11,000.00	-	11,000.00	6,620.63
Total Undistributed Expenditures -		1,656,840.00	105,567.34	1,762,407.34	1,687,709.87

PINELANDS REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2019

ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -				
Required Maintenance for School Facilities:				
Salaries	305,238.00	46,594.09	351,832.09	-
Cleaning, Repair & Maintenance Services	218,000.00	(27,508.48)	190,491.52	17,723.77
General Supplies	75,000.00	(74,705.00)	295.00	-
Other Objects	1,500.00	88,465.00	89,965.00	28,574.48
Total Undistributed Expenditures -	599,738.00	32,845.61	632,583.61	46,298.25
Required Maintenance for School Facilities				
Undistributed Expenditures - Custodial Services:				
Salaries	876,719.00	(55,387.11)	821,331.89	45,699.16
Unused Vacation Payment to Staff	-	1,264.37	1,264.37	-
Purchased Professional and Technical Services	1,000.00	-	1,000.00	1,000.00
Cleaning, Repair & Maintenance Services	16,000.00	218,618.00	234,618.00	59,210.41
Lease Purchase Pymts- Energy Savings Impr Prog	354,194.00	300,000.00	654,194.00	-
Other Purchased Property Services	254,040.00	-	254,040.00	2,564.73
Insurance	170,500.00	(19,000.00)	151,500.00	642.71
Miscellaneous Purchased Services	2,500.00	4,600.00	7,100.00	992.02
General Supplies	100,000.00	(34,361.00)	65,639.00	2,478.85
Energy (Natural Gas)	185,000.00	(28,728.49)	156,271.51	10,264.40
Energy (Electricity)	380,000.00	28,728.49	408,728.49	61,907.35
Other Objects	5,000.00	2,000.00	7,000.00	387.26
Total Undistributed Expenditures - Custodial Services	2,344,953.00	417,734.26	2,762,687.26	185,146.89
Undistributed Expenditures -				
Care and Upkeep of Grounds:				
Cleaning, Repair & Maintenance Services	15,000.00	(5,000.00)	10,000.00	6,074.66
General Supplies	56,500.00	(27,000.00)	29,500.00	122.67
Total Undistributed Expenditures -	71,500.00	(32,000.00)	39,500.00	6,197.33
Care and Upkeep of Grounds				
Security:				
Salaries	35,368.00	(28,194.23)	7,173.77	7,173.77
Cleaning, Repair, and Maintenance Services	146,900.00	33,194.73	180,094.73	3,419.44
General Supplies	10,000.00	-	10,000.00	9,887.00
Total Security	192,268.00	5,000.50	197,268.50	20,480.21

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -				
Student Transportation Services:				
Sale for Pupil Trans (Bet Home & Sch)- Sp Ed	25,500.00	(2,550.00)	22,950.00	-
Other Purchased Prof. and Technical Serv.	10,500.00	987.68	11,487.68	-
Contract Services - Aid in Lieu Payments - Non Public Schools	-	23,917.40	23,917.40	-
Contract Services (Between Home & School) - Vendors	1,394,695.00	(160,621.24)	1,234,073.76	0.73
Contract Services (Other Than Between Home & School) - Vendors	305,285.00	(45,442.15)	259,842.85	4,930.91
Contract Services (Special Education) - Vendors	129,506.00	36,400.20	165,906.20	3,592.29
Contract Serv.(Sp Ed Stds)-Joint Agrmnts	-	3,000.00	3,000.00	60.00
Contract Serv.(Spl. Ed. Students)-ESCs & CTASAs	-	236,150.56	236,150.56	2.00
Contract Services (Special Education) - ESCs & CTASAs	360,361.00	98,786.51	459,147.51	10,584.00
Travel	-	1,612.00	1,612.00	-
Miscellaneous Purchased Services - Transportation	1,000.00	(1,000.00)	-	-
General Supplies	-	388.00	388.00	388.00
Total Undistributed Expenditures -	2,226,847.00	191,628.96	2,418,475.96	19,557.93
Student Transportation Services				
Unallocated Benefits:				
Social Security Contributions	420,000.00	(2,300.00)	417,700.00	169,739.21
Other Retirement Contributions - PERS	485,000.00	9,593.00	494,593.00	300.00
Unemployment Compensation	50,000.00	18,996.85	68,996.85	-
Workmen's Compensation	282,200.00	(23,029.46)	259,170.54	-
Health Benefits	5,922,866.00	(827,570.73)	5,095,295.27	138,106.30
Tuition Reimbursement	70,000.00	13,794.23	83,794.23	41,194.27
Other Employee Benefits	80,000.00	53,172.36	133,172.36	46,686.22
Unused Sick Payment to Staff	-	36,790.00	36,790.00	-
Total Unallocated Benefits	7,310,066.00	(720,553.75)	6,589,512.25	396,026.00
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	2,494,899.00	(2,494,899.00)
TPAF Social Security (reimbursed)	-	-	941,157.46	(941,157.46)
TPAF Post Retirements	-	-	1,131,682.00	(1,131,682.00)
TPAF Long-Term Disability Insurance (on behalf)	-	-	979.00	(979.00)
Total Undistributed Expenditures	19,426,971.00	124,283.02	19,551,254.02	(3,482,658.42)
Total Expenditures - Current Expense	32,421,374.00	36,167.82	32,457,541.82	(3,304,502.18)

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Capital Outlay:				
Interest Deposited into Capital Reserve	2,000.00	(2,000.00)	-	-
Undistributed Expenditures:				
Undist. Expend.-Support Serv. - Inst. Staff	-	5,640.00	5,640.00	-
Total Equipment	2,000.00	5,640.00	5,640.00	-
Facilities Acquisition & Construction Services:				
Assessment for Debt Service on SDA Funding	6,865.00	-	6,865.00	762.76
Total Facilities Acquisition & Construction Services	6,865.00	-	6,865.00	762.76
Total Capital Outlay	8,865.00	5,640.00	12,505.00	762.76
Special Schools				
Adult Education-Local-Instruction:				
General Supplies	10,000.00	(10,000.00)	-	-
Purchased Prof. & Tech Services	-	9,321.00	9,321.00	-
Supplies and Materials	-	2,029.00	2,029.00	2,029.00
Total Local Instruction	10,000.00	1,350.00	11,350.00	2,029.00
Total Special Schools	10,000.00	1,350.00	11,350.00	2,029.00
Transfer of Funds to Charter Schools	20,052.00	18,966.00	39,018.00	-
Total Expenditures	32,460,291.00	62,123.82	32,520,414.82	(3,301,710.42)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)	(1,320,630.00)	(356,415.82)	(1,675,045.82)	8,395,082.10

**PINELANDS REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

ACCOUNT NUMBERS	JUNE 30, 2019		VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	
Other Financing Sources/(Uses):			
Transfers In(Out):			
Transfer to Other Funds	90,000.00	-	(90,000.00)
Transfer from Other Funds	-	-	339,544.34
Total Other Financing Sources/(Uses)	90,000.00	-	249,544.34
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(1,230,630.00)	(356,415.82)	8,644,626.44
Fund Balances, July 1	2,763,767.22	-	-
Fund Balances, June 30	<u>\$ 1,533,137.22</u>	<u>\$ (356,415.82)</u>	<u>\$ 8,644,626.44</u>

RECAPITULATION OF BUDGET TRANSFERS

Reduction in State Aid	\$ 295,292.00
Prior Year Encumbrances	<u>61,123.82</u>
	<u>\$ 356,415.82</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:		
Capital Reserve	\$ 417,397.82	
Maintenance Reserve	200,000.00	
Excess Surplus	403,644.74	
Excess Surplus Designated for Subsequent Year's Expenditures	291,945.77	
Assigned Fund Balance:		
Designated for Subsequent Year's Expenditures	831,666.23	
Year-End Encumbrances	353,090.28	
Unassigned Fund Balance	<u>722,182.16</u>	
Subtotal	3,219,927.00	
Reconciliation to Governmental Funds Statements (GAAP):		
Last State Aid Payments Not Recognized on GAAP Basis	<u>(1,114,885.00)</u>	
Fund Balance per Governmental Funds (GAAP)	<u>\$ 2,105,042.00</u>	

PINELANDS REGIONAL SCHOOL DISTRICT
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2019

	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL (OVER)/ UNDER	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Revenues:					
Local Sources	\$ -	\$ 54,373.63	\$ 54,373.63	\$ 27,023.43	\$ 27,350.20
State Sources	419,854.00	74,091.00	493,945.00	493,945.00	-
Federal Sources	847,710.00	182,570.00	1,030,280.00	1,030,280.00	-
Total Revenues	1,267,564.00	311,034.63	1,578,598.63	1,551,248.43	27,350.20
Expenditures:					
Instruction:					
Salaries of Teachers	492,312.63	(158,613.03)	333,699.60	332,300.00	1,399.60
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional - Educational Services	59,154.51	10,845.49	70,000.00	70,000.00	-
Other Purchased Services (400-500 Series)	364,324.00	66,019.00	430,343.00	430,343.00	-
General Supplies	21,050.18	67,010.22	88,060.40	71,561.43	16,498.97
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Instruction	936,841.32	(14,738.32)	922,103.00	904,204.43	17,898.57
Support Services:					
Salaries of Other Professional Staff	-	265,022.59	265,022.59	265,022.59	-
Personal Services - Employee Benefits	255,889.61	55,978.39	311,868.00	311,868.00	-
Purchased Educational Services	45,813.73	3,414.27	49,228.00	49,228.00	-
Other Purchased Services (400-500 Series)	16,566.21	(2,880.39)	13,685.82	13,685.82	-
Transportation	-	-	-	-	-
Supplies and Materials	9,438.00	4,651.28	14,089.28	4,637.65	9,451.63
Other Objects	3,015.13	(413.19)	2,601.94	2,601.94	-
Total Support Services	330,722.68	325,772.95	656,495.63	647,044.00	9,451.63
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	-	-	-	-
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-
Total Expenditures	1,267,564.00	311,034.63	1,578,598.63	1,551,248.43	27,350.20
Total Outflows	1,267,564.00	311,034.63	1,578,598.63	1,551,248.43	27,350.20
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**PINELANDS REGIONAL SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2019**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures**

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 35,938,740.68	\$ 1,551,248.43
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(17,665.47)
Prior Year	-	44,824.67
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(1,114,885.00)	-
Prior Year	1,096,440.00	-
<hr/>		
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 35,920,295.68</u>	<u>\$ 1,578,407.63</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 35,822,125.24	\$ 1,551,248.43
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	27,159.20
<hr/>		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 35,822,125.24</u>	<u>\$ 1,578,407.63</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

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**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST SIX FISCAL YEARS***

	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.04943%	0.05144%	0.05354%	0.05206%	0.05029%	0.05000%
School District's proportionate share of the net pension liability	\$ 9,732,168	\$ 11,975,247	\$ 15,856,522	\$ 11,686,130	\$ 9,414,743	\$ 9,555,948
School District's covered payroll	\$ 3,515,756	\$ 3,508,767	\$ 3,532,174	\$ 3,524,156	\$ 3,530,304	Unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	277%	341%	449%	332%	267%	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

PINELANDS REGIONAL SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST SIX FISCAL YEARS

	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 470,678	\$ 491,651	\$ 476,570	\$ 475,627	\$ 447,565	\$ 414,543
Contributions in relation to the contractually required contribution	(470,678)	(491,651)	(476,570)	(475,627)	(447,565)	(414,543)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 3,325,787	\$ 3,515,756	\$ 3,508,767	\$ 3,532,174	\$ 3,524,156	\$ 3,530,304
Contributions as a percentage of covered payroll	14.15%	13.98%	13.58%	13.47%	12.70%	11.74%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST SIX FISCAL YEARS***

	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 83,382,447	\$ 88,019,350	\$ 102,651,303	\$ 84,609,661	\$ 71,489,447	\$ 72,487,981
School District's covered payroll	\$ 13,060,460	\$ 13,156,808	\$ 13,415,357	\$ 13,410,233	\$ 13,384,631	Unknown
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT
BENEFITS (GASB 75)**

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**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST TWO FISCAL YEARS***

	2019	2018
Total OPEB Liability		
Service Cost	\$ 2,832,824	\$ 3,405,019
Interest Cost	2,854,562	2,463,638
Difference between Epected and Actual Experiences	(8,017,880)	-
Changes of Assumptions	(7,588,058)	(10,284,149)
Contributions: Member	61,109	66,312
Gross Benefit Payments	(1,768,132)	(1,800,845)
Net Change in Total OPEB Liability	(11,625,575)	(6,150,025)
Total OPEB Liability (Beginning)	77,749,556	83,899,581
Total OPEB Liability (Ending)	\$ 66,123,981	\$ 77,749,556
State's Covered Employee Payroll***	\$ 16,386,247	\$ 16,665,575
Net OPEB Liability as a Percentage of Payroll	404%	467%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2019**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 4.25% as of June 30, 2017, to 4.86% as of June 30, 2018.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.00% as of June 30, 2017, to 5.66% as of June 30, 2018.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**PINELANDS REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2019**

	Title I	Title IIA	Title IV	I.D.E.A. Part B
Revenues:				
Local Sources	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-
Federal Sources	490,675.00	82,731.00	26,531.00	430,343.00
Total Revenues	<u>\$ 490,675.00</u>	<u>\$ 82,731.00</u>	<u>\$ 26,531.00</u>	<u>\$ 430,343.00</u>
Expenditures:				
Instruction:				
Salaries of Teachers	\$ 278,800.00	\$ 53,500.00	\$ -	\$ -
Purchased Professional - Educational Services	70,000.00	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	430,343.00
General Supplies	18,007.00	-	26,531.00	-
Total Instruction	<u>366,807.00</u>	<u>53,500.00</u>	<u>26,531.00</u>	<u>430,343.00</u>
Support Services:				
Salaries of Other Professional Staff	-	-	-	-
Personal Services - Employee Benefits	77,717.00	19,106.00	-	-
Purchased Educational Services	39,138.00	10,090.00	-	-
Other Purchased Services (400-500 Series)	5,013.00	35.00	-	-
Other Objects	2,000.00	-	-	-
Total Support Services	<u>123,868.00</u>	<u>29,231.00</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 490,675.00</u>	<u>\$ 82,731.00</u>	<u>\$ 26,531.00</u>	<u>\$ 430,343.00</u>

PINELANDS REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2019

	SBYS	Atlantic Care	Safety Grant	Athletics	Totals
Revenues:					
Local Sources	\$ -	\$ 800.00	\$ -	\$ 26,223.43	\$ 27,023.43
State Sources	493,945.00		-	-	493,945.00
Federal Sources	-	-	-	-	1,030,280.00
Total Revenues	\$ 493,945.00	\$ 800.00	\$ -	\$ 26,223.43	\$ 1,551,248.43
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 332,300.00
Purchased Professional - Educational Services	-	-	-	-	70,000.00
Other Purchased Services (400-500 Series)	-	-	-	-	430,343.00
General Supplies	-	800.00	-	26,223.43	71,561.43
Total Instruction	-	800.00	-	26,223.43	904,204.43
Support Services:					
Salaries of Other Professional Staff	265,022.59	-	-	-	265,022.59
Personal Services - Employee Benefits	215,045.00	-	-	-	311,868.00
Purchased Educational Services	-	-	-	-	49,228.00
Other Purchased Services (400-500 Series)	8,637.82	-	-	-	13,685.82
Supplies and Materials	4,637.65	-	-	-	4,637.65
Other Objects	601.94	-	-	-	2,601.94
Total Support Services	493,945.00	-	-	-	647,044.00
Total Expenditures	\$ 493,945.00	\$ 800.00	\$ -	\$ 26,223.43	\$ 1,551,248.43

F. Capital Projects Fund

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EXHIBIT F-1

PINELANDS REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 YEAR ENDED JUNE 30, 2019

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2019</u>
			<u>Prior Years</u>	<u>Current Year</u>	
High School & Middle School Construction and Rehabilitation	1/24/2017	\$ 53,644,099.14	\$ 12,289,598.66	\$ 28,044,327.32	\$ 13,310,173.16
Total		\$ 53,644,099.14	\$ 12,289,598.66	\$ 28,044,327.32	\$ 13,310,173.16

Reconciliation of Fund Balance

Unexpended Project Balances	\$ 13,310,173.16
Total Fund Balance (GAAP Basis)	\$ 13,310,173.16

**PINELANDS REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2019**

Revenues and Other Financing Sources:	
Interest Earnings	\$ 339,544.34
	<hr/>
Total Revenues and Other Financing Sources	339,544.34
	<hr/>
Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	576,193.86
Construction Services	27,468,133.46
Transfer to General Fund	339,544.34
	<hr/>
Total Expenditures and Other Financing Uses	28,383,871.66
	<hr/>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(28,044,327.32)
	<hr/>
Fund Balance, July 1	41,354,500.48
	<hr/>
Fund Balance, June 30	\$ 13,310,173.16
	<hr/> <hr/>

**PINELANDS REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
HIGH SCHOOL & MIDDLE SCHOOL CONSTRUCTION AND REHABILITATION
YEAR ENDED JUNE 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 53,644,099.14	\$ -	\$ 53,644,099.14	\$ 53,644,099.14
Total Revenues and Other Financing Sources	53,644,099.14	-	53,644,099.14	53,644,099.14
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	3,260,473.04	576,193.86	3,836,666.90	3,836,666.90
Construction Services	9,029,125.62	27,468,133.46	36,497,259.08	49,807,432.24
Total Expenditures and Other Financing Uses	12,289,598.66	28,044,327.32	40,333,925.98	53,644,099.14
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 41,354,500.48	\$ (28,044,327.32)	\$ 13,310,173.16	\$ -

Additional Project Information:

<u>Name of Project:</u>		
<u>High School & Middle School Construction and Rehabilitation</u>		
<u>Project Number</u>	Grant Date	N/A
4105-050-16-1000	Bond Authorization Date	1/24/2017
4105-060-16-1000	Bonds Authorized	\$ 53,645,527.00
	Bonds Issued	\$ 53,644,099.14
	Original Authorized Cost	\$ 53,645,527.00
	Additional Authorized Cost	\$ (1,427.86)
	Revised Authorized Cost	\$ 53,644,099.14
	Percentage Increase over Original Authorized Cost	0.00%
	Percentage Completion	75.19%
	Original Target Completion Date	9/1/2019
	Revised Target Completion Date	9/1/2019

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H. Fiduciary Fund

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**PINELANDS REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

	TRUST		AGENCY	
	PRIVATE- PURPOSE	TRUST TOTALS	STUDENT ACTIVITY FUND	AGENCY TOTALS
	UNEMPLOYMENT COMPENSATION	SCHOLARSHIP FUND	PAYROLL FUND	
ASSETS				
Cash & Cash Equivalents	\$ 7,797.95	\$ 92,837.32	\$ 216,540.79	\$ 447,293.57
Total Assets	7,797.95	92,837.32	216,540.79	447,293.57
LIABILITIES				
Interfund Payable	-	-	6,909.82	6,909.82
Payable for Student Related Activities	-	-	-	230,752.78
Payroll Deductions & Withholdings	-	-	209,630.97	209,630.97
Total Liabilities	-	-	\$ 216,540.79	\$ 447,293.57
NET POSITION				
Restricted - Held in Trust for Unemployment Claims & Other Purposes	7,797.95	-		7,797.95
Restricted - Scholarships	-	92,837.32		92,837.32
Total Net Position	\$ 7,797.95	\$ 92,837.32		\$ 100,635.27

**PINELANDS REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2019**

	UNEMPLOYMENT COMPENSATION TRUST	PRIVATE- PURPOSE SCHOLARSHIP FUND	TOTAL TRUST
ADDITIONS			
Contributions:			
Other	\$ -	\$ 110,985.72	\$ 110,985.72
Total Contributions	-	110,985.72	110,985.72
Investment Earnings:			
Interest	36.37	289.54	325.91
Net Investment Earnings	36.37	289.54	325.91
Total Additions	36.37	111,275.26	111,311.63
DEDUCTIONS			
Unemployment Claims	658.76	-	658.76
Scholarships Awarded	-	99,400.00	99,400.00
Total Deductions	658.76	99,400.00	100,058.76
Change in Net Position	(622.39)	11,875.26	11,252.87
Net Position - Beginning	8,420.34	80,962.06	89,382.40
Net Position - Ending	\$ 7,797.95	\$ 92,837.32	\$ 100,635.27

**PINELANDS REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2019**

	BALANCE JUNE 30, 2018	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2019
Middle School	\$ 76,434.90	\$ 70,829.42	\$ 77,315.72	\$ 69,948.60
High School	157,333.90	525,135.99	521,665.71	160,804.18
Total All Schools	<u>\$ 233,768.80</u>	<u>\$ 595,965.41</u>	<u>\$ 598,981.43</u>	<u>\$ 230,752.78</u>

**PINELANDS REGIONAL SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2019**

	BALANCE JUNE 30, 2018	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2019
ASSETS				
Cash & Cash Equivalents	\$ 211,184.09	\$ 20,706,107.00	\$ 20,700,750.30	\$ 216,540.79
Total Assets	<u>\$ 211,184.09</u>	<u>\$ 20,706,107.00</u>	<u>\$ 20,700,750.30</u>	<u>\$ 216,540.79</u>
LIABILITIES				
Payroll Deductions & Withholdings	\$ 204,274.27	\$ 20,700,750.30	\$ 20,706,107.00	\$ 209,630.97
Interfunds Payable	6,909.82	-	-	6,909.82
Total Liabilities	<u>\$ 211,184.09</u>	<u>\$ 20,700,750.30</u>	<u>\$ 20,706,107.00</u>	<u>\$ 216,540.79</u>

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I. Long-Term Debt

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PINELANDS REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED JUNE 30, 2019

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2018	ISSUED	RETIRED	BALANCE JUNE 30, 2019
			DATE	AMOUNT					
Refunding School Bonds	3/11/2015	\$ 5,275,000.00	02/15/20	\$ 410,000.00	3.000%	\$ 4,125,000.00	\$ -	\$ 395,000.00	\$ 3,730,000.00
			02/15/21	425,000.00	3.000%				
			02/15/22	440,000.00	3.000%				
			02/15/23	450,000.00	4.000%				
			02/15/24	470,000.00	4.000%				
			02/15/25	490,000.00	4.000%				
			02/15/26	515,000.00	4.000%				
			02/15/27	530,000.00	4.000%				
General Obligation Bonds	7/20/2017	53,645,000.00	08/01/20	1,450,000.00	3.000%	53,645,000.00	-	-	53,645,000.00
			08/01/21	1,480,000.00	3.000%				
			08/01/22	1,515,000.00	3.000%				
			08/01/23	1,550,000.00	3.000%				
			08/01/24	1,550,000.00	3.000%				
			08/01/25	1,550,000.00	3.000%				
			08/01/26	1,550,000.00	3.000%				
			08/01/27	2,100,000.00	3.000%				
			08/01/28	2,165,000.00	3.000%				
			08/01/29	2,235,000.00	3.000%				
			08/01/30	2,305,000.00	3.000%				
			08/01/31	2,390,000.00	3.000%				
			08/01/32	2,470,000.00	3.000%				
			08/01/33	2,555,000.00	3.000%				
		08/01/34	2,645,000.00	3.000%					
		08/01/35	2,745,000.00	3.125%					
		08/01/36	2,850,000.00	3.125%					
		08/01/37	2,850,000.00	3.250%					
		08/01/38	2,850,000.00	3.250%					
		08/01/39	2,850,000.00	3.250%					
		08/01/40	2,850,000.00	3.250%					
		08/01/41	2,850,000.00	3.250%					
		08/01/42	2,850,000.00	3.500%					
Total									\$ 57,770,000.00
									\$ -
									\$ 395,000.00
									\$ 57,375,000.00

PINELANDS REGIONAL SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
 YEAR ENDED JUNE 30, 2019

PURPOSE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2018	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2019
Equipment	\$ 400,000	\$ 85,000	\$ -	\$ 85,000	\$ -
Equipment	400,000	170,000	-	85,000	85,000
ESIP Projects	5,425,000	5,010,000	-	485,000	4,525,000
Equipment	400,000	250,000	-	80,000	170,000
Equipment	473,000	382,000	-	91,000	291,000
		\$ 5,897,000	\$ -	\$ 826,000	\$ 5,071,000

PINELANDS REGIONAL SCHOOL DISTRICT
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2019

	JUNE 30, 2019			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 1,968,085.00	\$ -	\$ 1,968,085.00	\$ -
State Sources:				
Debt Service Aid Type II	1,069,915.00	-	1,069,915.00	-
Total Revenues	3,038,000.00	-	3,038,000.00	-
Expenditures:				
Regular Debt Service:				
Interest	2,643,000.00	-	2,643,000.00	0.08
Redemption of Principal	395,000.00	-	395,000.00	-
Total Regular Debt Service	3,038,000.00	-	3,038,000.00	0.08
Total Expenditures	3,038,000.00	-	3,038,000.00	0.08
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	0.08
Fund Balance, July 1,	0.89	-	0.89	0.89
Fund Balance, June 30,	\$ 0.89	\$ -	\$ 0.89	\$ 0.97

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

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PINELANDS REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 14,814,619.08	\$ 15,854,931.43	\$ 11,192,009.00	\$ 13,339,289.00	\$ 13,171,933.00	\$ 12,688,559.00	\$ 12,954,946.00	\$ 12,889,100.00	\$ 13,074,181.00	\$ 13,240,561.00
Restricted	1,312,989.30	1,234,202.39	4,069,462.00	5,705,565.00	423,797.00	328,097.00	1,177,593.00	1,668,074.00	1,148,462.00	1,528,574.00
Unrestricted (Deficit)	(13,435,608.81)	(15,637,291.36)	(12,913,918.00)	(16,548,596.00)	(11,117,601.00)	(918,492.00)	(1,062,036.00)	(717,182.00)	(1,200,145.00)	(977,937.00)
Total Governmental Activities	\$ 2,691,999.57	\$ 1,451,842.46	\$ 2,347,553.00	\$ 2,496,258.00	\$ 2,478,129.00	\$ 12,098,164.00	\$ 13,070,503.00	\$ 13,839,992.00	\$ 13,022,498.00	\$ 13,791,198.00
Business-Type Activities:										
Net Investment in Capital Assets	\$ 45,983.46	\$ 29,052.00	\$ 37,401.00	\$ 44,441.00	\$ 50,174.00	\$ 71,077.00	\$ 103,252.00	\$ 124,126.00	\$ 155,556.00	\$ 186,985.00
Unrestricted (Deficit)	403,046.59	394,619.20	496,945.00	536,837.00	483,898.00	429,119.00	347,831.00	347,831.00	292,719.00	248,367.00
Total Business-Type Activities	\$ 449,030.05	\$ 423,671.20	\$ 534,346.00	\$ 581,278.00	\$ 534,072.00	\$ 500,196.00	\$ 451,083.00	\$ 471,957.00	\$ 448,275.00	\$ 435,352.00
Government-Wide:										
Net Investment in Capital Assets	\$ 14,860,602.54	\$ 15,883,983.43	\$ 11,229,410.00	\$ 13,383,730.00	\$ 13,222,107.00	\$ 12,759,636.00	\$ 13,058,198.00	\$ 13,013,226.00	\$ 13,013,226.00	\$ 13,229,737.00
Restricted	1,312,989.30	1,234,202.39	4,069,462.00	5,705,565.00	423,797.00	328,097.00	1,177,593.00	1,668,074.00	1,148,462.00	1,148,462.00
Unrestricted (Deficit)	(13,032,562.22)	(15,242,672.16)	(12,416,973.00)	(16,011,759.00)	(10,633,703.00)	(489,373.00)	(668,938.00)	(369,351.00)	(369,351.00)	(907,426.00)
Total Government-Wide Net Position	\$ 3,141,029.62	\$ 1,875,513.66	\$ 2,881,899.00	\$ 3,077,536.00	\$ 3,012,201.00	\$ 12,598,360.00	\$ 13,566,853.00	\$ 14,311,949.00	\$ 14,311,949.00	\$ 13,470,773.00

Source: CAFR Schedule A-1

**PINELANDS REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

Unaudited

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 18,043,388.61	\$ 19,436,781.40	\$ 8,225,039.00	\$ 6,066,077.31	\$ 6,195,151.57	\$ 8,363,363.83	\$ 8,342,598.37	\$ 8,761,721.54	\$ 8,475,714.85	\$ 9,227,118.38
Special Education	6,156,572.86	6,141,380.80	3,925,036.00	1,714,360.00	1,563,495.95	2,230,521.92	2,154,674.55	2,172,129.93	1,992,814.83	2,192,314.73
Other Special Education	-	-	1,126,656.00	654,988.00	628,941.60	899,985.05	949,114.04	832,095.37	1,092,680.79	944,941.89
Other Instruction	1,825,765.40	2,045,464.64	-	112,221.00	95,262.19	672,903.90	622,738.36	638,205.67	106,104.08	88,249.00
Support Services:										
Tuition	721,774.16	604,974.60	693,074.00	636,574.00	722,222.13	569,661.06	311,828.90	434,769.16	517,704.40	532,009.10
Student & Instruction Related Services	5,539,227.18	6,126,281.97	3,930,411.00	2,439,847.88	2,217,382.42	2,082,314.52	1,916,662.93	2,197,183.73	2,708,283.10	2,880,864.85
General Administrative Services	673,820.04	781,852.54	651,163.00	354,893.00	370,118.20	404,282.39	528,062.48	502,256.85	529,440.29	616,347.34
School Administrative Services	1,718,968.24	1,879,409.54	1,249,229.00	217,268.00	243,783.75	282,237.50	295,499.40	335,627.05	401,112.37	422,047.20
Central Services	443,251.91	542,575.08	355,936.00	-	-	-	-	-	-	-
Plant Operations & Maintenance	3,492,114.45	4,460,312.51	3,081,300.00	3,872.00	6,250.00	128,688.91	119,921.96	104,073.95	157,611.83	118,070.16
Pupil Transportation	3,065,169.73	3,524,092.68	2,010,851.00	629,442.00	667,931.49	892,574.75	922,662.05	901,515.78	851,712.28	957,284.04
Special Schools	11,909.72	8,946.92	6,884.00	1,805,738.00	1,663,393.11	1,609,605.11	1,850,541.64	1,804,631.30	1,811,610.54	1,815,198.54
Charter Schools	39,018.00	46,919.00	23,197.00	761,055.00	751,358.84	832,909.90	863,075.79	921,489.76	892,100.37	899,925.62
Unallocated Employee Benefits	-	-	10,817,508.00	4,338,163.46	4,641,967.84	-	-	-	-	-
Interest on Long-Term Debt	2,075,917.22	1,265,015.00	241,513.00	1,123,855.00	1,163,042.50	1,199,980.00	1,235,323.75	1,269,542.39	1,302,636.25	1,308,399.11
Unallocated Bond Costs	-	-	-	1,019,095.83	973,149.29	752,631.04	744,958.00	676,297.50	297,920.69	175,392.08
Unallocated Depreciation	-	-	1,125,567.00	-	-	-	-	-	-	-
Total Governmental Activities	43,806,897.54	46,864,006.68	37,463,364.00	21,877,450.48	21,903,450.88	20,921,659.88	20,857,626.22	21,551,539.98	21,137,446.67	22,178,162.04
Expenses										
Business-Type Activities:										
Food Service	883,387.01	948,183.15	957,025.00	429,090.63	392,162.48	394,241.38	363,908.60	363,512.95	340,789.62	320,051.56
Other	36,197.67	49,710.00	62,997.00	-	-	-	-	-	-	-
Total Business-Type Activities	919,584.68	997,893.15	1,020,022.00	429,090.63	392,162.48	394,241.38	363,908.60	363,512.95	340,789.62	320,051.56
Expense										
Total District Expenses	\$ 44,726,482.22	\$ 47,861,899.83	\$ 38,483,386.00	\$ 22,306,541.11	\$ 22,295,613.36	\$ 21,315,901.26	\$ 21,221,534.82	\$ 21,915,052.93	\$ 21,478,236.29	\$ 22,498,213.60
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Operating Grants & Contributions	\$ -	\$ -	\$ 1,471,991.00	\$ 12,945.00	\$ 75,416.03	\$ 70,803.41	\$ -	\$ -	\$ -	\$ -
Capital Grants & Contributions	10,317,932.09	13,322,979.66	-	1,950,152.19	1,871,807.05	271,669.22	271,260.81	215,162.00	266,931.00	336,241.00
Total Governmental Activities	10,317,932.09	13,322,979.66	1,471,991.00	1,963,097.19	1,947,223.08	342,472.63	271,260.81	215,162.00	266,931.00	336,241.00
Program Revenues										

PINELANDS REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
Unaudited

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
FISCAL YEAR ENDING JUNE 30,										
Business-Type Activities:										
Charges for Services:										
Food Service	375,711.35	332,965.34	374,502.00	401,846.00	449,131.00	505,227.00	501,180.00	522,361.00	525,216.00	530,458.00
Other	114,729.71	126,886.00	121,400.00	124,549.00	115,429.00	111,730.00	117,916.00	102,853.00	100,884.00	90,881.00
Operating Grants & Contributions	454,502.47	427,367.01	477,188.00	526,132.00	488,938.00	490,762.00	471,564.00	380,437.00	378,230.00	342,640.00
Total Business Type Activities	944,943.53	887,218.35	973,090.00	1,052,527.00	1,053,498.00	1,107,719.00	1,090,660.00	1,005,651.00	1,004,330.00	963,979.00
Program Revenues										
\$	11,262,875.62	14,210,198.01	2,445,081.00	3,015,624.19	8,396,442.00	4,911,814.00	5,490,161.00	2,366,022.00	2,625,475.00	2,710,549.00
Net (Expense)/Revenue:										
Governmental Activities	(33,488,965.45)	(33,541,027.02)	(35,991,373.00)	(31,817,741.00)	(31,806,332.00)	(32,094,509.00)	(31,668,483.00)	(32,517,750.00)	(32,585,326.00)	(34,157,272.00)
Business-Type Activities	25,358.85	(110,674.80)	(46,932.00)	46,025.00	33,123.00	2,939.00	23,679.00	22,561.00	10,727.00	21,988.00
Total District-Wide Net Expense	(33,463,606.60)	(33,651,701.82)	(36,038,305.00)	(31,771,716.00)	(31,773,209.00)	(32,091,570.00)	(31,644,804.00)	(32,495,189.00)	(32,574,599.00)	(34,135,284.00)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	19,466,804.00	19,273,034.00	18,987,748.00	18,704,758.00	18,455,152.00	18,009,085.00	17,738,517.00	17,390,703.00	17,049,709.00	16,646,284.00
Taxes Levied for Debt Service	1,968,085.00	756,582.00	761,473.00	754,050.00	783,302.00	773,079.00	771,759.00	769,465.00	755,791.00	639,492.00
Unrestricted Grants & Contributions	12,541,587.71	12,171,870.68	15,332,570.00	12,361,654.00	12,388,381.00	12,387,736.00	12,340,438.00	15,128,579.00	13,936,055.00	13,919,434.00
Restricted Grants & Contributions	1,187.03	71,888.88	708,175.00	-	-	-	-	-	-	-
Interest Income	339,544	417,843.00	52,297.00	15,408.00	115,410.00	28,975.00	48,280.00	46,497.00	75,071.00	86,462.00
Miscellaneous Income	411,914.48	18,797.84	-	-	-	-	-	-	-	-
Proceeds from Premium on Bond Anticipation	-	-	405.00	-	-	-	-	-	-	-
Total Governmental Activities	34,729,122.56	32,645,316.40	35,842,668.00	31,835,870.00	31,742,245.00	31,198,875.00	30,898,994.00	33,335,244.00	31,816,626.00	31,291,672.00
Business-Type Activities:										
Transfers In/Out	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	1,181.00	753.00	907.00	714.00	1,121.00	2,196.00	2,218.00
Total Business-Type Activities	-	-	-	1,181.00	753.00	907.00	714.00	1,121.00	2,196.00	2,218.00
Total District-Wide	34,729,122.56	32,645,316.40	35,842,668.00	31,837,051.00	31,742,998.00	31,199,782.00	30,899,708.00	33,336,365.00	31,818,822.00	31,293,890.00
Change in Net Position:										
Governmental Activities	1,240,157.11	(895,710.62)	(148,705.00)	18,129.00	(64,087.00)	(895,634.00)	(769,489.00)	817,494.00	(768,700.00)	(2,865,600.00)
Business-Type Activities	25,358.85	(110,674.80)	(46,932.00)	47,206.00	33,876.00	3,846.00	24,393.00	23,682.00	12,923.00	24,206.00
Total District	1,265,515.96	(1,006,385.42)	(195,637.00)	65,335.00	(30,211.00)	(891,788.00)	(745,096.00)	841,176.00	(755,777.00)	(2,841,394.00)

Source: CAFR Schedule A-2

PINELANDS REGIONAL SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund:										
Restricted	\$ 1,312,988.33	\$ 1,234,201.50	\$ 1,467,310.00	\$ 761,541.00	\$ 423,797.00	\$ 459,796.00	\$ 870,239.00	\$ 956,110.00	\$ 701,104.00	\$ 2,025,743.00
Assigned	1,184,756.51	433,125.72	53,653.00	449,644.00	530,336.00	573,600.00	410,048.00	710,880.00	-	-
Unassigned	(392,702.84)	-	-	-	-	-	-	-	(43,319.00)	(1,079,459.00)
Total General Fund	\$ 2,105,042.00	\$ 1,667,327.22	\$ 1,520,963.00	\$ 1,211,185.00	\$ 954,133.00	\$ 1,033,396.00	\$ 1,280,287.00	\$ 1,666,990.00	\$ 657,785.00	\$ 946,284.00
All Other Governmental Funds:										
Restricted										
Debt Service Fund	\$ 0.97	\$ 0.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	13,310,173.16	41,354,500.48	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	35,732.00
Unreserved, Reported in:										
Capital Projects Fund	-	-	2,602,152.00	5,100,534.00	-	-	307,354.00	711,964.00	711,964.00	912,916.00
Debt Service Fund	-	-	-	-	-	-	-	-	-	8,789.00
Total All Other Governmental Funds	\$ 13,310,174.13	\$ 41,354,501.37	\$ 2,602,152.00	\$ 5,100,534.00	\$ -	\$ -	\$ 307,354.00	\$ 711,964.00	\$ 711,964.00	\$ 957,437.00

Source: CAFR Schedule B-1

PINELANDS REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Tax Levy	\$ 21,434,889.00	\$ 20,029,616.00	\$ 19,749,221.00	\$ 19,458,808.00	\$ 19,238,454.00	\$ 18,782,164.00	\$ 18,510,276.00	\$ 18,160,168.00	\$ 17,805,500.00	\$ 17,285,776.00
Miscellaneous	779,669.28	455,875.12	61,433.00	43,480.00	141,121.00	43,933.00	48,280.00	46,497.00	75,071.00	86,462.00
State Sources	17,539,332.46	16,613,810.00	16,426,861.00	16,027,209.00	15,641,646.00	15,228,371.00	15,818,784.00	15,187,450.00	14,437,692.00	12,901,377.00
Federal Sources	1,122,356.91	1,240,607.01	1,076,739.00	1,102,586.00	940,899.00	948,502.00	921,155.00	1,301,500.00	1,119,508.00	2,764,627.00
Total Revenues	40,876,247.65	38,339,908.13	37,314,254.00	36,632,083.00	35,962,120.00	35,002,970.00	35,298,495.00	34,695,615.00	33,437,771.00	33,038,242.00
Expenditures										
Instruction:										
Regular Instruction	9,379,414.07	9,365,215.59	8,321,969.00	8,257,815.00	8,514,470.00	8,447,048.00	8,548,819.00	8,404,641.00	8,057,522.00	8,158,671.00
Special Education Instruction	3,200,343.76	2,959,098.73	3,925,036.00	3,956,587.00	3,783,708.00	3,539,174.00	3,956,388.00	4,034,671.00	3,922,028.00	4,349,550.00
Other Special Instruction	949,079.47	985,565.30	1,126,656.00	1,183,719.00	1,265,287.00	1,286,428.00	1,275,408.00	1,194,713.00	1,228,053.00	1,328,171.00
Support Services:										
Tuition	721,774.16	604,974.60	693,074.00	957,179.00	1,057,050.00	883,706.00	1,021,406.00	764,269.00	769,011.00	759,678.00
Student & Instruction Related Services	4,079,000.72	4,020,117.61	3,930,411.00	4,214,897.00	4,258,028.00	4,347,149.00	3,879,545.00	3,878,948.00	4,383,171.00	4,680,379.00
General Administrative Services	527,357.11	538,708.71	651,163.00	567,928.00	592,261.00	567,292.00	538,248.00	544,249.00	538,275.00	630,730.00
Central Services	346,905.75	373,049.03	-	-	-	-	-	-	-	-
Administration Information	-	-	-	-	-	-	-	-	-	-
Technology Services	6,620.63	6,241.73	-	-	-	-	-	-	-	-
School Administrative Services	1,338,709.08	1,288,701.03	1,249,229.00	1,264,277.00	1,235,702.00	1,228,588.00	1,292,130.00	1,104,483.00	1,257,920.00	1,248,358.00
Business Administrative Services	-	-	355,936.00	362,091.00	359,146.00	387,060.00	421,410.00	393,593.00	355,648.00	360,603.00
Plant Operations & Maintenance	3,373,916.69	3,351,408.07	3,199,534.00	3,017,317.00	3,127,767.00	3,025,264.00	3,038,114.00	2,939,525.00	3,104,415.00	2,993,426.00
Pupil Transportation	2,398,918.03	2,428,155.34	2,010,851.00	2,131,409.00	2,168,874.00	2,134,848.00	2,276,541.00	1,941,986.00	1,808,908.00	1,971,159.00
Unallocated Benefits	10,762,203.71	10,551,101.45	9,821,801.00	8,880,058.00	8,066,872.00	7,695,190.00	7,927,878.00	6,975,754.00	6,799,116.00	6,887,437.00
Transfer to Charter School	39,018.00	46,919.00	23,197.00	-	-	-	-	-	-	-
Special Schools	9,321.00	5,961.50	6,884.00	3,486.00	-	6,204.00	7,915.00	10,456.00	11,158.00	12,586.00
Capital Outlay	28,049,967.32	12,671,615.66	5,811,009.00	826,165.00	531,285.00	1,119,734.00	821,236.00	418,828.00	665,473.00	614,871.00
Debt Service:										
Principal	395,000.00	1,268,000.00	1,235,000.00	1,185,000.00	1,130,000.00	1,065,000.00	1,020,000.00	975,000.00	930,000.00	890,000.00
Interest & Other Charges	2,649,102.16	192,098.00	241,513.00	270,590.00	458,218.00	422,369.00	464,770.00	505,294.00	541,045.00	579,274.00
Total Expenditures	68,482,860.11	50,656,931.35	42,603,263.00	37,078,518.00	36,548,668.00	36,155,054.00	36,489,808.00	34,086,410.00	34,371,743.00	35,464,893.00
Other Financing Sources/(Uses):										
Transfer to Charter School	-	-	-	(24,158.00)	-	-	-	-	-	-
Capital Leases (Non-budgeted)	-	473,000.00	400,000.00	5,825,000.00	400,000.00	625,000.00	400,000.00	400,000.00	400,000.00	300,000.00
Bond Proceeds	-	50,944,099.14	-	-	5,711,812.00	-	-	-	-	-
Premium on Bond Anticipation Notes	-	-	405.00	-	-	-	-	-	-	-
Bond Anticipation Note Proceeds	-	-	2,700,000.00	-	-	-	-	-	-	-
Deposit With Fiscal Agent	-	-	-	-	(5,631,688.00)	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	51,417,099.14	3,100,405.00	5,800,842.00	480,124.00	625,000.00	400,000.00	400,000.00	400,000.00	300,000.00
Net Change in Fund Balances	\$ (27,606,612.46)	\$ 39,100,075.92	\$ (2,188,604.00)	\$ 5,354,407.00	\$ (106,424.00)	\$ (527,084.00)	\$ (791,313.00)	\$ 1,009,205.00	\$ (533,972.00)	\$ (2,126,651.00)

Source: CAFR Schedule B-2

PINELANDS REGIONAL SCHOOL DISTRICT
 GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)

Unaudited

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	RENTALS	TUITION		MISCELLANEOUS	TOTAL
			OTHER			
2019	\$ -	\$ -	\$ -	\$ -	\$ 413,101.51	\$ 413,101.51
2018	918.73	-	7,188.88	-	17,879.11	25,986.72
2017	3,815.00	-	-	-	2,436.00	6,251.00
2016	3,179.00	3,955.00	-	-	2,272.00	9,406.00
2015	3,835.00	6,348.00	-	-	6,815.00	16,998.00
2014	4,062.00	5,189.00	-	-	2,651.00	11,902.00
2013	5,949.00	2,844.00	-	-	8,442.00	17,235.00
2012	3,288.00	7,109.00	-	-	12,892.00	23,289.00
2011	29,097.00	-	-	-	12,866.00	41,963.00
2010	35,146.00	1,470.00	-	-	46,789.00	83,405.00
Total	\$ 89,289.73	\$ 26,915.00	\$ 7,188.88	\$ -	\$ 526,143.62	\$ 649,537.23

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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**PINELANDS REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS
 LITTLE EGG HARBOR TOWNSHIP
 Unaudited**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2019	\$ 80,327,900	\$ 2,070,826,250	\$ 1,711,400	\$ 78,738	\$ 171,574,129	\$ 542,900	\$ 2,883,700	\$ 2,327,945,017	\$ 203,971,868	\$ 2,531,916,885	0.721	\$ 2,403,203,769
2018	85,781,700	2,051,978,233	1,711,400	78,769	174,529,129	542,900	2,883,700	2,317,505,831	185,938,285	2,503,444,116	0.646	2,361,756,128
2017	97,071,900	2,012,228,183	1,747,800	75,986	172,922,115	542,900	2,883,700	2,287,472,584	182,119,774	2,469,592,358	0.657	2,335,683,218
2016	97,071,900	2,012,228,183	1,747,800	75,986	172,922,115	542,900	2,883,700	2,287,472,584	182,119,774	2,469,592,358	0.645	2,163,791,174
2015	112,347,900	1,941,283,983	1,705,400	35,392	147,741,815	558,100	2,883,700	2,206,556,290	167,395,174	2,373,951,464	0.656	2,267,936,874
2014	152,049,100	2,425,444,439	1,953,200	79,058	159,319,263	566,100	3,060,000	2,742,471,160	200,555,596	2,943,026,756	0.516	2,342,388,469
2013	111,911,000	2,531,443,939	2,819,400	78,896	144,064,463	566,100	3,060,000	2,793,943,798	200,256,596	2,993,045,872	0.500	2,718,812,880
2012	116,303,400	2,636,568,189	2,819,400	78,896	149,605,749	566,100	3,060,000	2,909,001,734	5,955,862	2,954,182,408	0.436	2,711,597,440
2011	124,822,000	2,666,799,789	2,843,400	80,631	151,717,049	566,100	3,060,000	2,949,888,969	5,955,862	3,121,595,072	0.450	2,866,592,618
2010	136,785,500	2,655,632,189	2,558,600	79,939	162,071,049	566,100	3,060,000	2,960,753,377	6,570,969	3,160,141,785	0.397	3,066,000,647

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS
 EAGLESWOOD TOWNSHIP
 Unaudited**

2019	\$ 22,332,100	\$ 177,802,400	\$ 268,900	\$ 39,500	\$ 28,752,200	\$ 4,271,900	\$ 319,200	\$ 235,769,600	\$ 33,758,500	\$ 269,528,100	0.667	\$ 230,485,689
2018	22,963,600	177,642,500	266,900	39,400	28,898,200	4,271,900	319,200	235,769,600	33,731,400	269,501,000	0.619	219,201,377
2017	25,549,100	176,936,900	288,900	39,400	28,113,700	4,522,400	319,200	235,769,600	33,655,800	269,425,400	0.619	229,795,284
2016	25,145,900	178,845,900	268,900	63,100	29,963,700	4,440,200	319,200	235,046,900	33,284,800	268,331,700	0.615	236,954,038
2015	27,018,000	180,405,800	268,900	52,400	29,865,300	4,440,200	319,200	242,369,800	33,446,100	275,815,900	0.612	271,217,359
2014	25,860,200	182,014,100	268,900	52,400	29,239,800	4,440,200	319,200	242,194,800	452,190	244,730,110	0.477	270,501,214
2013	26,699,700	183,965,880	268,900	32,400	29,565,800	4,300,500	319,200	245,152,380	452,190	283,138,210	0.513	264,279,064
2012	24,511,900	210,822,000	281,500	50,600	33,519,900	3,967,600	436,900	283,590,400	521,335	282,890,265	0.490	307,728,267
2011	36,756,300	209,278,500	281,500	50,600	32,640,200	3,967,600	436,900	283,411,600	491,494	283,786,706	0.490	307,511,034
2010	37,902,600	208,021,100	281,500	50,600	33,617,900	3,967,600	436,900	284,278,200	491,494	283,900,706	0.463	308,215,616

Source: County Abstract of Rates & Municipal Tax Assessor

**PINELANDS REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS
 TUCKERTON BOROUGH
 Unaudited**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2019	\$ 15,470,300	\$ 329,430,100	\$ -	3,000	\$ 39,518,000	\$ -	\$ 30,308,500	\$ 414,729,900	\$ 40,401,700	\$ 455,131,600	0.712	\$ 418,995,431
2018	25,824,900	326,198,700	17,400	3,000	36,541,800	-	18,614,000	407,199,800	47,405,900	454,605,700	0.604	407,072,959
2017	27,729,200	322,011,700	17,400	3,000	37,180,000	-	18,614,000	405,555,300	46,606,100	452,161,400	0.604	405,917,431
2016	29,559,900	318,668,100	17,400	3,000	38,070,000	-	18,614,000	404,932,400	45,553,100	450,485,500	0.554	393,472,893
2015	29,969,400	325,156,800	17,400	3,000	37,638,100	-	18,614,000	411,398,700	45,907,100	457,305,800	0.553	422,706,914
2014	19,711,700	341,609,100	-	-	38,812,800	-	18,614,000	418,747,600	45,317,800	432,325,599	0.519	493,262,812
2013	20,240,900	354,880,700	-	-	39,133,800	-	18,614,000	432,869,400	543,801	432,772,829	0.496	491,227,190
2012	20,760,500	354,316,300	-	-	39,625,830	-	18,614,000	433,316,630	543,801	434,409,976	0.543	514,834,324
2011	22,425,100	351,770,800	-	-	39,725,000	-	21,117,700	435,038,600	628,624	431,668,470	0.526	543,516,309
2010	22,819,600	348,691,000	-	-	39,635,000	-	21,117,700	432,263,300	594,830	427,617,570	0.526	537,336,369

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS
 BASS RIVER TOWNSHIP
 Unaudited**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2019	\$ 7,708,900	\$ 116,334,300	\$ 5,639,100	697,300	\$ 40,009,100	\$ -	\$ -	\$ 170,388,700	98	\$ 170,388,798	0.740	\$ 175,506,303
2018	7,864,800	117,183,100	6,462,200	741,100	40,009,100	-	-	172,260,300	100	172,260,400	0.707	168,862,609
2017	8,091,100	117,201,500	5,980,100	741,100	40,009,100	-	-	172,022,900	1,322,600	173,345,500	0.693	177,690,912
2016	8,666,300	117,283,100	5,093,100	707,180	27,354,100	-	-	159,103,780	1,046,301	160,150,081	0.706	177,090,274
2015	9,048,200	117,471,700	5,136,700	702,600	27,354,100	-	-	159,713,300	1,046,301	190,219,472	0.838	146,998,579
2014	11,631,000	143,885,236	5,791,500	711,600	27,120,500	-	-	189,139,836	1,079,636	191,915,023	0.513	198,462,700
2013	11,631,000	145,382,700	5,898,200	707,700	29,550,500	-	-	193,170,100	1,255,077	192,279,223	0.474	187,416,416
2012	12,014,800	145,419,700	5,992,300	553,000	29,554,500	-	-	193,534,300	1,255,077	192,279,223	0.480	190,674,944
2011	12,014,800	145,419,700	5,992,300	553,000	29,554,500	-	-	193,534,300	1,255,077	196,298,219	0.479	188,904,728
2010	11,725,900	147,096,800	6,195,400	553,000	32,054,500	-	-	197,625,600	1,327,381	200,503,131	0.433	188,264,489

PINELANDS REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
LITTLE EGG HARBOR TOWNSHIP
(Rate per \$100 of Assessed Value)
Unaudited

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES					TOTAL DIRECT AND OVERLAPPING TAX RATE	
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	LITTLE EGG HARBOR SCHOOL		MUNICIPAL LOCAL PURPOSE
2019	0.696	0.025	0.721	0.353	0.039	0.018	0.012	0.594	0.743	2.480
2018	0.621	0.025	0.646	0.357	0.039	0.014	0.013	0.575	0.656	2.300
2017	0.632	0.025	0.657	0.354	0.039	0.014	0.013	0.578	0.693	2.348
2016	0.508	0.021	0.529	0.286	0.031	0.012	0.011	0.446	0.557	1.872
2015	0.495	0.021	0.516	0.286	0.031	0.012	0.011	0.446	0.560	1.862
2014	0.480	0.020	0.500	0.280	0.333	0.012	0.011	0.420	0.546	2.102
2013	0.453	0.020	0.473	0.273	0.031	0.012	0.011	0.406	0.523	1.729
2012	0.433	0.017	0.450	0.259	0.037	0.015	0.014	0.602	0.571	1.948
2011	0.418	0.020	0.438	0.249	0.029	0.012	0.012	0.357	0.451	1.548
2010	0.372	0.025	0.397	0.247	0.029	0.012	0.012	0.330	0.443	1.140

EAGLESWOOD TOWNSHIP
(Rate per \$100 of Assessed Value)
Unaudited

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES					TOTAL DIRECT AND OVERLAPPING TAX RATE	
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	EAGLESWOOD LOCAL SCHOOL/DIST		MUNICIPAL LOCAL PURPOSE
2019	0.643	0.024	0.667	0.336	0.037	0.016	0.012	1.146	0.416	2.630
2018	0.595	0.024	0.619	0.342	0.037	0.013	0.012	1.009	0.415	2.447
2017	0.611	0.025	0.636	0.357	0.039	0.014	0.012	0.823	0.398	2.279
2016	0.606	0.025	0.631	0.335	0.038	0.014	0.012	0.796	0.388	2.214
2015	0.590	0.025	0.615	0.335	0.038	0.014	0.012	0.796	0.388	2.198
2014	0.587	0.025	0.612	0.344	0.040	0.015	0.013	0.723	0.379	2.126
2013	0.358	0.024	0.382	0.331	0.038	0.014	0.014	0.701	0.361	1.841
2012	0.494	0.020	0.514	0.266	0.030	0.012	0.012	0.513	0.293	1.640
2011	0.478	0.020	0.498	0.274	0.033	0.013	0.013	0.551	0.283	1.665
2010	0.471	0.019	0.490	0.274	0.033	0.013	0.013	0.551	0.283	1.657

Source: Municipal Tax Collector

PINELANDS REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
TUCKERTON BOROUGH
(Rate per \$100 of Assessed Value)
Unaudited

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES							TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	TUCKERTON LOCAL SCHOOL DIST	MUNICIPAL LOCAL PURPOSE		
2019	0.689	0.023	0.712	0.345	0.038	0.017	0.012	0.754	0.737	2.615	
2018	0.581	0.023	0.604	0.352	0.038	0.014	0.012	0.733	0.679	2.432	
2017	0.520	0.021	0.541	0.339	0.037	0.013	0.012	0.689	0.633	2.264	
2016	0.534	0.022	0.556	0.351	0.039	0.015	0.012	0.667	0.626	2.266	
2015	0.531	0.022	0.553	0.351	0.039	0.015	0.012	0.667	0.626	2.263	
2014	0.498	0.021	0.519	0.343	0.040	0.015	0.013	0.643	0.612	2.185	
2013	0.473	0.021	0.494	0.342	0.039	0.014	0.014	0.625	0.612	2.140	
2012	0.496	0.022	0.518	0.327	0.037	0.015	0.014	0.602	0.571	2.084	
2011	0.506	0.021	0.527	0.319	0.038	0.016	0.016	0.594	0.572	2.082	
2010	0.506	0.020	0.526	0.319	0.038	0.016	0.012	0.594	0.572	2.077	

Source: Municipal Tax Collector

**PINELANDS REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
BASS RIVER TOWNSHIP
(Rate per \$100 of Assessed Value)**

Unaudited

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	TOTAL COUNTY	BASS RIVER LOCAL SCHOOL DISTRICT	MUNICIPAL LOCAL PURPOSE	
2019	0.713	0.027	0.740	0.411	0.919	0.374	2.444
2018	0.680	0.027	0.707	0.346	0.863	0.156	2.072
2017	0.666	0.027	0.693	0.387	0.867	0.156	2.103
2016	0.678	0.028	0.706	0.461	0.897	0.156	2.220
2015	0.678	0.028	0.706	0.419	0.838	0.131	2.094
2014	0.622	0.026	0.648	0.357	0.669	0.107	1.781
2013	0.492	0.021	0.513	0.372	0.637	0.056	1.578
2012	0.473	0.021	0.494	0.376	0.621	0.041	1.532
2011	0.456	0.018	0.474	0.321	0.611	0.042	1.448
2010	0.446	0.018	0.464	0.353	0.577	0.012	1.406

Source: Municipal Tax Collector, Monmouth County Board of Taxation.

**PINELANDS REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
LITTLE EGG HARBOR TOWNSHIP
Unaudited**

Taxpayer	2019			2010		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Sea Oaks Golf Club	N/A	1	N/A	N/A	1	N/A
Healthtec Properties	N/A	2	N/A	N/A	2	N/A
Mystic Partners	N/A	3	N/A	N/A	3	N/A
AT & T	N/A	4	N/A	N/A	4	N/A
Armstrong Tuckerton LLC	N/A	5	N/A	N/A	5	N/A
Andwin Realty Investors, LLC	N/A	6	N/A	N/A	6	N/A
Mystic Investor Association	N/A	7	N/A	N/A	7	N/A
James Properties, LLC	N/A	8	N/A	N/A	8	N/A
Jarat, Inc.	N/A	9	N/A	N/A	9	N/A
Individual Taxpayer, #1	N/A	10	N/A	N/A	10	N/A
Total	\$ -		0.00%	\$ -		0.00%

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
EAGLESWOOD TOWNSHIP
Unaudited**

Taxpayer	2019			2010		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Eagles Lake Reserve, Inc.	N/A	1	N/A	N/A	1	N/A
Doland-Eaglewood Assn.	N/A	2	N/A	N/A	2	N/A
Taxpayer #1	N/A	3	N/A	N/A	3	N/A
Steakmaster	N/A	4	N/A	N/A	4	N/A
Atlantic City Electric Co.	N/A	5	N/A	N/A	5	N/A
Stafford Business Park, LLC	N/A	6	N/A	N/A	6	N/A
Osenenko	N/A	7	N/A	N/A	7	N/A
Felman Investment	N/A	8	N/A	N/A	8	N/A
SS West Creek, LLC	N/A	9	N/A	N/A	9	N/A
Taxpayer #2	N/A	10	N/A	N/A	10	N/A
Total	\$ -		0.00%	\$ -		0.00%

Source: Municipal Tax Assessor

**PINELANDS REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
TUCKERTON BOROUGH
Unaudited**

Taxpayer	2019			2010		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Cammeby's Management Co. of N	N/A	1	N/A	N/A	1	N/A
H2 Investments, LLC	N/A	2	N/A	N/A	2	N/A
Milestone Property	N/A	3	N/A	N/A	3	N/A
Brasil Telecom America Inc.	N/A	4	N/A	N/A	4	N/A
Taxpayer #1	N/A	5	N/A	N/A	5	N/A
Mijan Inc.	N/A	6	N/A	N/A	6	N/A
Cammeby's Barlett Landing, LLC	N/A	7	N/A	N/A	7	N/A
GEB Marina, Inc.	N/A	8	N/A	N/A	8	N/A
Tuckerton Lumber Co.	N/A	9	N/A	N/A	9	N/A
Taxpayer #2	N/A	10	N/A	N/A	10	N/A
Total	\$ -		0.00%	\$ -		0.00%

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
BASS RIVER TOWNSHIP
Unaudited**

Taxpayer	2019			2010		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Viking Yacht	N/A	1	N/A	N/A	1	N/A
Viking Yachting Center	N/A	2	N/A	N/A	2	N/A
Bayview Capital	N/A	3	N/A	N/A	3	N/A
Gateway Property, LLC	N/A	4	N/A	N/A	4	N/A
Taxpayer #1	N/A	5	N/A	N/A	5	N/A
Chips Folly	N/A	6	N/A	N/A	6	N/A
K.O.A.	N/A	7	N/A	N/A	7	N/A
Timerline Campgrounds	N/A	8	N/A	N/A	8	N/A
Taxpayer #2	N/A	9	N/A	N/A	9	N/A
Taxpayer #3	N/A	10	N/A	N/A	10	N/A
Total	\$ -		0.00%	\$ -		0.00%

Source: Municipal Tax Assessor

**PINELANDS REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
Unaudited**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2019	\$ 21,434,889.00	\$ 21,434,889.00	100.00%	-
2018	20,029,616.00	20,029,616.00	100.00%	-
2017	19,458,806.00	19,458,806.00	100.00%	-
2016	19,238,454.00	19,238,454.00	100.00%	-
2015	18,782,164.00	18,782,164.00	100.00%	-
2014	18,510,276.00	18,510,276.00	100.00%	-
2013	18,160,168.00	18,160,168.00	100.00%	-
2012	17,805,500.00	17,805,500.00	100.00%	-
2011	17,285,776.00	17,285,776.00	100.00%	-
2010	16,650,789.00	16,650,789.00	100.00%	-

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

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

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PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED JUNE 30,	<u>GOVERNMENTAL ACTIVITIES</u>		<u>BUSINESS-TYPE ACTIVITIES</u>		*		*	
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	CAPITAL LEASES	TOTAL DISTRICT	<u>OCEAN COUNTY</u>		<u>BURLINGTON COUNTY</u>	
					PERCENTAGE OF PERSONAL INCOME	PER CAPITA PERSONAL INCOME	PERCENTAGE OF PERSONAL INCOME	PER CAPITA PERSONAL INCOME
2019	\$ 57,375,000	\$ 5,071,000	\$ -	\$ 62,446,000	N/A	N/A	N/A	N/A
2018	57,770,000	5,897,000	-	63,667,000	N/A	N/A	N/A	N/A
2017	5,393,000	6,225,000	-	11,618,000	N/A	N/A	N/A	N/A
2016	7,813,000	9,560,000	-	17,373,000	N/A	N/A	N/A	N/A
2015	9,273,000	1,002,999	-	10,275,999	N/A	N/A	N/A	N/A
2014	11,358,000	742,410	-	12,100,410	0.36%	43,214	N/A	N/A
2013	12,333,000	909,582	-	13,242,582	0.33%	43,200	0.37%	51,079
2012	13,263,000	901,934	-	14,164,934	0.30%	41,986	0.37%	49,626
2011	14,153,000	675,000	-	14,828,000	0.29%	40,611	0.33%	47,849
2010	14,858,000	-	-	14,858,000	0.28%	40,510	0.32%	47,582

PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
LITTLE EGG HARBOR TOWNSHIP
Unaudited

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2019	N/A	N/A	N/A	N/A
2018	21,660,031	21,660,031	0.88%	N/A
2017	3,988,825	3,988,825	0.17%	N/A
2016	5,855,062	5,855,062	0.20%	N/A
2015	6,949,186	6,949,186	0.24%	N/A
2014	6,982,909	6,982,909	0.23%	343
2013	8,511,685	8,511,685	0.29%	422
2012	9,242,350	9,242,350	0.31%	460
2011	9,939,292	9,939,292	0.34%	477
2010	10,573,706	10,573,706	0.34%	511

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
EAGLESWOOD TOWNSHIP
Unaudited

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2019	N/A	N/A	N/A	N/A
2018	759,499	759,499	0.28%	N/A
2017	412,079	412,079	0.15%	N/A
2016	674,147	674,147	0.24%	N/A
2015	677,419	677,419	0.25%	411
2014	825,727	825,727	0.31%	513
2013	896,609	896,609	0.34%	559
2012	964,220	964,220	0.36%	566
2011	1,082,705	1,082,705	0.35%	645
2010	1,040,060	1,040,060	0.34%	631

PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
TUCKERTON BOROUGH
Unaudited

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2019	N/A	N/A	N/A	N/A
2018	1,043,490	1,043,490	0.24%	N/A
2017	850,174	850,174	0.19%	N/A
2016	862,303	862,303	0.19%	N/A
2015	1,206,417	1,206,417	0.26%	N/A
2014	1,212,272	1,212,272	0.26%	360
2013	1,477,676	1,477,676	0.34%	439
2012	1,604,523	1,604,523	0.37%	479
2011	1,725,516	1,725,516	0.40%	441
2010	1,844,136	1,844,136	0.43%	474

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
BASS RIVER TOWNSHIP
Unaudited

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2019	N/A	N/A	N/A	N/A
2018	452,828	443,249	0.26%	N/A
2017	300,336	443,249	0.28%	N/A
2016	443,249	443,249	0.28%	N/A
2015	445,400	445,400	0.23%	309
2014	542,912	542,912	0.28%	375
2013	589,517	589,517	0.31%	408
2012	633,971	633,971	0.33%	411
2011	652,453	652,453	0.33%	422
2010	742,900	742,900	0.37%	479

PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2019
LITTLE EGG HARBOR TOWNSHIP
Unaudited

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ 27,807,975.98	100.00%	\$ 27,807,975.98
Subtotal, Overlapping Debt			
Pinelands Regional School District	5,393,000.00	74.93%	4,040,975
County of Ocean	475,771,082.00	2.32%	11,060,896.53
Subtotal, Overlapping Debt			<u>42,909,847</u>
Local School District Direct Debt	19,120,000.00	100.00%	<u>19,120,000.00</u>
Total Direct & Overlapping Debt			<u><u>\$ 62,029,847</u></u>

AS OF JUNE 30, 2019
EAGLESWOOD TOWNSHIP
EAGLESWOOD TOWNSHIP
Unaudited

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ 1,088,788.67	100.0%	\$ 1,088,788.67
Subtotal, Overlapping Debt			
Pinelands Regional School District	5,393,000.00	7.94%	428,204
County of Ocean	475,771,082.00	0.22%	1,044,627.91
Subtotal, Overlapping Debt			<u>2,561,621</u>
Local School District Direct Debt	4,515,000.00	100.00%	<u>4,515,000.0</u>
Total Direct & Overlapping Debt			<u><u>\$ 7,076,621</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation

PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2019
TUCKERTON BOROUGH
Unaudited

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ 640,658.00	100.00%	\$ 640,658.00
Subtotal, Overlapping Debt			
Pinelands Regional School District	5,393,000.00	11.24%	606,173
County of Ocean	475,771,082.00	0.41%	1,928,452.83
Subtotal, Overlapping Debt			<u>3,175,284</u>
Local School District Direct Debt	4,075,000.00	100.00%	<u>4,075,000.00</u>
Total Direct & Overlapping Debt			<u><u>\$ 7,250,284</u></u>

EXHIBIT J-12d

AS OF JUNE 30, 2019
BASS RIVER TOWNSHIP
Unaudited

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ 380,303.00	100.0%	\$ 380,303.00
Subtotal, Overlapping Debt			
Pinelands Regional School District	5,393,000.00	5.89%	317,648
County of Burlington	52,242,256.50	0.39%	203,744.80
Subtotal, Overlapping Debt			<u>901,696</u>
Local School District Direct Debt	-	100.00%	<u>-</u>
Total Direct & Overlapping Debt			<u><u>\$ 901,696</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation

PINELANDS REGIONAL SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 LITTLE EGG HARBOR TOWNSHIP
 (Dollars in Thousands)
 Unaudited

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$ 81,761,860.74	\$ 79,245,455.00	\$ 81,777,970.00	\$ 89,494,592.00	\$ 93,575,311.00	\$ 95,415,706.00	\$ 95,415,706.00	\$ 71,248,066.00	\$ 106,680,946.00	\$ 104,114,978.00
Total Net Debt Applicable to Limit	21,660,031.00	21,660,031.00	4,902,268.00	6,949,186.00	7,747,297.00	8,511,685.00	8,511,685.00	9,242,350.00	9,908,787.00	10,573,706.00
Legal Debt Margin	\$ 60,101,829.74	\$ 57,585,424.00	\$ 76,875,702.00	\$ 82,545,406.00	\$ 85,828,014.00	\$ 86,904,021.00	\$ 86,904,021.00	\$ 62,005,716.00	\$ 96,772,159.00	\$ 93,541,272.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	26.49%	27.33%	5.99%	7.76%	8.28%	8.92%	8.92%	12.97%	9.29%	10.16%

Legal Debt Margin Calculation

	2018	2017	2016
Equalized Valuation Basis	\$ 2,391,400,094.00	2,330,113,664.00	2,286,645,734.00
Average Equalized Valuation of Taxable Property	\$ 7,008,159,492.00		
Debt Limit (4% of Average Equalization Value)	\$ 2,336,053,164.00		
Net Bonded School Debt	\$ 81,761,861	21,660,031.00	
Legal Debt Margin	\$ 60,101,829.74		

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey Department of Treasury, Division of Taxation

PINELANDS REGIONAL SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 EAGLESWOOD TOWNSHIP
 (Dollars in Thousands)
 Unaudited

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$ 7,967,701.07	\$ 8,398,933.00	\$ 8,473,662.00	\$ 8,924,360.00	\$ 9,343,614.00	\$ 9,258,816.00	\$ 9,258,818.00	\$ 10,150,539.00	\$ 10,356,442.00	\$ 10,655,436.00
Total Net Debt Applicable to Limit	759,499.00	759,499.00	506,445.00	674,147.00	751,573.00	751,573.00	825,727.00	896,609.00	1,014,620.00	1,082,705.00
Legal Debt Margin	\$ 7,208,202.07	\$ 7,639,434.00	\$ 7,967,217.00	\$ 8,250,213.00	\$ 8,592,041.00	\$ 8,507,243.00	\$ 8,433,091.00	\$ 9,253,930.00	\$ 9,341,822.00	\$ 9,572,731.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.53%	9.04%	5.98%	7.55%	8.04%	8.12%	8.92%	8.83%	9.80%	10.16%

Legal Debt Margin Calculation

	2018	2017	2016
Equalized Valuation Basis			
2018	\$ 230,818,343.00		
2017	220,367,919.00		
2016	231,759,544.00		
	<u>\$ 682,945,806.00</u>		
Average Equalized Valuation of Taxable Property			
	<u>\$ 227,648,602.00</u>		
Debt Limit (4% of Average Equalization Value)	\$ 7,967,701		
Net Bonded School Debt	<u>759,499.00</u>		
Legal Debt Margin	<u>\$ 7,208,202.07</u>		

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey Department of Treasury, Division of Taxation

PINELANDS REGIONAL SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 TUCKERTON BOROUGH
 (Dollars in Thousands)
 Unaudited

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$ 14,302,380.94	\$ 13,968,987.00	\$ 14,238,703.00	\$ 16,001,106.00	\$ 16,774,905.00	\$ 17,036,868.00	\$ 17,036,868.00	\$ 18,340,688.00	\$ 18,516,728.00	\$ 18,171,284.00
Total Net Debt Applicable to Limit	1,043,490.00	1,043,490.00	850,174.00	1,206,417.00	1,344,974.00	1,477,676.00	1,477,676.00	1,604,523.00	1,728,169.00	1,844,136.00
Legal Debt Margin	\$ 13,258,890.94	\$ 12,925,497.00	\$ 13,388,529.00	\$ 14,794,689.00	\$ 15,429,931.00	\$ 15,559,192.00	\$ 15,559,192.00	\$ 16,736,165.00	\$ 16,788,559.00	\$ 16,327,148.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.30%	7.47%	5.97%	7.54%	8.02%	8.67%	8.67%	8.75%	9.33%	10.15%

Legal Debt Margin Calculation

	2018	2017	2016
Equalized Valuation Basis	\$ 418,886,740.00	\$ 404,060,277.00	\$ 402,971,349.00
Average Equalized Valuation of Taxable Property	\$ 1,225,918,366.00		
Debt Limit (4% of Average Equalization Value) Net Bonded School Debt	\$ 408,639,455.33		
Legal Debt Margin	\$ 14,302,381	\$ 1,043,490.00	\$ 13,258,890.94

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey Department of Treasury, Division of Taxation

PINELANDS REGIONAL SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 BASS RIVER TOWNSHIP
 (Dollars in Thousands)
 Unaudited

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$ 6,054,435.07	\$ 6,352,706.00	\$ 6,323,081.00	\$ 6,362,395.00	\$ 6,725,794.00	\$ 4,846,216.00	\$ 4,860,064.00	\$ 4,860,064.00	\$ 4,086,104.00	\$ 4,086,104.00
Total Net Debt Applicable to Limit	452,828.00	452,828.00	369,133.00	443,249.00	494,156.00	542,912.00	542,912.00	589,517.00	661,889.00	652,453.00
Legal Debt Margin	\$ 5,601,607.07	\$ 5,899,878.00	\$ 5,953,948.00	\$ 5,919,146.00	\$ 6,231,638.00	\$ 4,303,304.00	\$ 4,317,152.00	\$ 4,270,547.00	\$ 3,424,215.00	\$ 3,433,651.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.48%	7.13%	5.84%	6.97%	7.35%	11.20%	11.17%	12.13%	16.20%	15.97%

Legal Debt Margin Calculation

	2018	2017	2016
Equalized Valuation Basis	\$ 176,405,937.00	\$ 167,565,654.00	\$ 174,979,986.00
Average Equalized Valuation of Taxable Property	\$ 518,951,577.00	\$ 172,983,859.00	\$ 6,054,435
Debt Limit (4% of Average Equalization Value)	\$ 20,772,063.08	\$ 29,717,262.00	\$ 452,828
Net Bonded School Debt	\$ 452,828.00	\$ 369,133.00	\$ 443,249.00
Legal Debt Margin	\$ 5,601,607.07	\$ 5,953,948.00	\$ 5,919,146.00

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey Department of Treasury, Division of Taxation

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Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**PINELANDS REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
Unaudited**

YEAR	POPULATION	PERSONAL INCOME	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
LITTLE EGG HARBOR TOWNSHIP				
2019	N/A	N/A	N/A	5.50%
2018	21,386	N/A	N/A	N/A
2017	21,080	N/A	N/A	N/A
2016	20,865	N/A	N/A	8.6%
2015	20,568	881,392,744	43,214	11.7%
2014	20,321	881,053,712	43,016	11.9%
2013	20,298	852,697,524	42,121	11.7%
2012	20,258	818,744,058	40,689	10.7%
2011	20,245	845,704,288	40,612	6.5%
2010	20,116	854,931,919	41,347	5.0%
EAGLESWOOD TOWNSHIP				
2019	N/A	N/A	N/A	4.80%
2018	1,608	N/A	N/A	N/A
2017	1,604	N/A	N/A	N/A
2016	1,598	N/A	N/A	8.9%
2015	1,600	N/A	N/A	7.0%
2014	1,597	69,660,968	43,214	9.5%
2013	1,601	69,169,728	43,016	9.3%
2012	1,601	67,604,205	42,121	8.4%
2011	1,601	69,293,367	40,689	5.1%
2010	1,601	68,187,548	40,612	3.9%
TUCKERTON BOROUGH				
2019	N/A	N/A	N/A	5.20%
2018	3,375	N/A	N/A	N/A
2017	3,368	N/A	N/A	N/A
2016	3,378	N/A	N/A	7.5%
2015	3,379	N/A	N/A	9.0%
2014	3,380	N/A	N/A	14.8%
2013	3,362	144,810,114	43,214	14.5%
2012	3,349	144,189,632	43,016	13.2%
2011	3,356	164,945,836	42,121	8.1%
2010	3,360	158,198,832	40,689	6.3%
BASS RIVER TOWNSHIP				
2019	N/A	N/A	N/A	6.80%
2018	1,422	N/A	N/A	N/A
2017	1,428	N/A	N/A	N/A
2016	1,433	N/A	N/A	10.5%
2015	1,440	74,668,548	51,638	12.3%
2014	1,439	74,114,901	51,149	9.2%
2013	1,441	71,732,950	49,471	9.0%
2012	1,442	68,714,184	47,586	9.0%
2011	1,444	73,018,744	47,384	8.7%
2010	1,446	73,881,626	47,758	5.1%

*2010 Census

**PINELANDS REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
Unaudited**

LITTLE EGG HARBOR TOWNSHIP

NOT AVAILABLE

EAGLESWOOD TOWNSHIP

NOT AVAILABLE

TUCKERTON BOROUGH

NOT AVAILABLE

BASS RIVER TOWNSHIP

NOT AVAILABLE

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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**PINELANDS REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
Unaudited**

Function/Program	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction:										
Regular	116	115	114	117	125	124	128	128	130	137
Special Education	41	41	43	39	39	43	43	45	46	49
Other Special Education Instruction	18	17	16	15	16	25	25	14	14	9
Support Services:										
Student and Instruction Related Services	48	47	51	52	58	51	52	67	67	63
General Administrative Services	8	8	9	9	5	5	5	4	4	2
School Administrative Services	13	13	11	14	13	13	3	8	8	15
Business Administrative Services	4	4	4	5	4	4	4	4	4	4
Plant Operations & Maintenance	25	33	33	33	34	34	34	33	33	32
Pupil Transportation	1	1	1	1	1	1	1	1	1	1
Total	274	279	282	284	295	300	295	304	307	312

Source: District Personnel Records

**PINELANDS REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**
Unaudited

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE				
2019	1,553	\$ 35,822,125.00	23,066	2.34%	157	1:10	1:10	1,510	1,430	-2.96%	94.70%
2018	1,585	35,722,606.00	22,538	0.71%	156	1:9:0	1:9:0	1,556	1,451	0.39%	93.25%
2017	1,577	35,292,460.00	22,379	4.77%	156	1:9:0	1:9:0	1,550	1,453	-0.90%	93.74%
2016	1,635	34,923,649.00	21,360	2.69%	163	1:9:0	1:9:0	1,564	1,459	-2.37%	93.29%
2015	1,646	34,238,960.00	20,801	5.21%	167	1:9:0	1:9:0	1,602	1,483	-0.25%	92.57%
2014	1,750	34,600,428.00	19,772	8.00%	171	1:8:0	1:9:0	1,606	1,572	-5.81%	97.88%
2013	1,781	32,606,116.00	18,308	2.23%	173	1:8:2	1:9:0	1,705	1,543	-3.18%	90.50%
2012	1,824	32,664,014.00	17,908	-1.32%	176	1:7:9	1:9:0	1,761	1,566	-0.90%	88.93%
2011	1,870	33,935,991.00	18,148	8.29%	186	1:8:4	1:9:0	1,777	1,635	-1.44%	92.01%
2010	1,870	31,339,090.00	16,759	2.74%	185	1:8:5	1:8:9	1,803	1,664	51.14%	92.29%

Sources: District records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited**

<u>DISTRICT BUILDINGS</u>	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Middle School:										
Square Feet	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000
Capacity (Students)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	N/A	768	831	778	822	899	841	634	972	1,017
High School:										
Square Feet	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000
Capacity (Students)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	N/A	796	756	935	958	956	956	1,237	880	891
Alternate School:										
Square Feet	4,200	4,200	4,200	4,200	4,200	4,200	4,200	N/A	N/A	N/A
Capacity (Students)	48	48	48	48	48	48	48	N/A	N/A	N/A
Enrollment	N/A	13	15	16	14	15	15	N/A	N/A	N/A
Other Buildings:										
Administration Building:										
Square Feet	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600

Number of Schools at June 30, 2019:

- Middle School = 1
- High School = 1
- Other = 1

Source: District Facilities Office

**PINELANDS REGIONAL SCHOOL DISTRICT
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST TEN FISCAL YEARS
 Unaudited**

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

*School Facilities Project Numbers	MIDDLE SCHOOL 4950-060-04-1000	HIGH SCHOOL	TOTAL
2019	\$ 215,016.70	\$ 371,268.66	586,285.36
2018	239,968.00	414,352.00	654,320.00
2017	263,384.00	345,785.00	609,169.00
2016	309,576.00	406,429.00	716,005.00
2015	260,355.00	341,809.00	602,164.00
2014	235,121.00	383,337.00	618,458.00
2013	240,929.00	349,427.00	590,356.00
2012	356,241.00	411,450.00	767,691.00
2011	260,702.00	455,778.00	716,480.00
2010	356,391.00	435,590.00	791,981.00

**PINELANDS REGIONAL SCHOOL DISTRICT
 INSURANCE SCHEDULE
 JUNE 30, 2019
 Unaudited**

COMPANY	TYPE OF COVERAGE	AMOUNT OF COVERAGE	DEDUCTIBLE
NJ School Board Insurance Co.	School Package Policy	\$ 109,891,884	\$ 5,000
	Property - Blanket Buildings & Grnds		
	Flood	75,000,000	10,000
	Earthquake	50,000,000	5,000
	Computers	500,000	1,000
	General Liability	16,000,000	
	Employee Benefit Liability	16,000,000	1,000
	Public Employee Dishonesty & Faithful Performance	100,000	1,000
	Money & Securities - In/Out	25,000	1,000
	Forgery or Alteration	100,000	1,000
	Inland Marine: Computers	500,000	1,000
	School Board Legal Liability:		
	Each Loss	100,000	
Aggregate	300,000	10,000	
Abuse or Molestation:	included		
Comprehensive Auto Liability: Combined Single Limit	16,000,000		
New Jersey School Board Assoc.	Workers Compensation	2,000,000	
Markel Insurance Co.	Student Accident	5,000,000	25,000
Fireman's Fund Insurance Company	Excess Umbrella Policy	50,000,000	10,000,000

Source: District Records

SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Pinelands Regional School District
County of Ocean
Little Egg Harbor, NJ

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 Pinelands Regional School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 23, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Pinelands Regional School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pinelands Regional School 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

However, we noted one immaterial instance of noncompliance that are not required to be reported under Governmental Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, that we reported to management in a separate Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance dated December 23, 2019.

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 School District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Toms River, New Jersey
December 23, 2019

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Pinelands Regional School District
County of Ocean
Little Egg Harbor, NJ

Report on Compliance for Each Major Federal and State Program

We have audited the Pinelands Regional 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 School District's major federal and state programs for the fiscal year ended June 30, 2019. The Pinelands Regional 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.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Pinelands Regional School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Pinelands Regional 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, 2019.

Report on Internal Control Over Compliance

Management of the Pinelands Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Toms River, New Jersey
December 23, 2019

PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL CDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2018	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE JUNE 30, 2019	
												(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR
U.S. Department of Health and Human Services Passed Through New Jersey Department of Human Services: Medicaid Cluster Medicaid Assistance Program (SEMI) Total Medicaid Cluster	93-778	1805NSMAP	100-054-7540-211	\$ 64,917.71	7/1/18-6/30/2019	\$ -	\$ 64,917.71	\$ (64,917.71)	\$ -	\$ -	\$ -	\$ -	\$ -
Total U.S. Department of Health and Human Services				\$ 64,917.71		\$ -	\$ 64,917.71	\$ (64,917.71)	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Department of Agriculture Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster: School Breakfast Program School Breakfast Program	10-553 10-553	181NJ304N1099 171NJ304N1099	100-010-3350-028 100-010-3350-028	83,686.28 68,528.99	7/1/18-6/30/2019 7/1/17-6/30/2018	- (7,498.80)	78,000.19 85,498.99	(83,686.28) (83,686.28)	- -	- -	- -	(5,686.09) (5,686.09)	- -
National School Lunch Program National School Lunch Program Healthy Hunger-Free Kids Act Healthy Hunger-Free Kids Act National School After School Snack Program National School After School Snack Program Food Distribution Program (Noncash Assistance)	10-555 10-555 10-555 10-555 10-555 10-555 10-555	171NJ304N1099 1616NJ304N1099 171NJ304N1099 1616NJ304N1099 181NJ304N1099 171NJ304N1099 171NJ304N1099	100-010-3350-028 100-010-3350-028 100-010-3350-026 100-010-3350-026 100-010-3350-026 100-010-3350-026 Unavailable	294,812.92 286,317.34 8,970.24 8,586.00 438.39 620.76 55,826.65	7/1/18-6/30/2019 7/1/17-6/30/2018 7/1/18-6/30/2019 7/1/17-6/30/2018 7/1/18-6/30/2019 7/1/17-6/30/2018 7/1/18-6/30/2019	- (21,319.16) - (643.92) - (83.76) (22,046.84)	281,045.11 21,319.16 8,557.62 643.92 438.39 83.76 55,826.65	(294,812.92) - (8,970.24) - (438.39) - (55,826.65) (30,048.20)	- -	- -	- -	(13,767.81) (412.62) - (21.69) -	- -
Total U.S. Department of Agriculture				\$ 490,675.00		\$ (29,545.64)	\$ 453,391.91	\$ (443,734.48)	\$ -	\$ -	\$ -	\$ (19,888.21)	\$ -
U.S. Department of Education Passed Through New Jersey Department of Education: No Child Left Behind (N.C.L.B.): Title I - Part A	84-010	S010A160030	100-034-5064-194	490,675.00	7/1/18-6/30/2019	-	403,539.00	(490,675.00)	-	-	-	(87,136.00)	-
Title II - Part A, Supporting Effective Instruction	84-367	S367A160029	100-034-5063-290	82,731.00	7/1/18-6/30/2019	-	57,429.00	(82,731.00)	-	-	-	(25,302.00)	-
Title IV	84-424	S424A180031	100-034-5063-348	26,531.00	7/1/18-6/30/2019	-	6,250.00	(26,531.00)	-	-	-	(20,281.00)	-
Special Education Cluster: LD/EA, Part B	84-027	H027A160100	100-034-5065-016	430,343.00	7/1/18-6/30/2019	-	279,577.47	(430,343.00)	-	-	-	(150,765.53)	-
Total Special Education Cluster				\$ 279,577.47		\$ -	\$ 279,577.47	\$ (430,343.00)	\$ -	\$ -	\$ -	\$ (150,765.53)	\$ -
Total U.S. Department of Education				\$ 1,265,105.09		\$ (29,545.64)	\$ 1,265,105.09	\$ (1,538,932.19)	\$ -	\$ -	\$ -	\$ (303,372.74)	\$ -

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

PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2019

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2018	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	UNEARNED REVENUE	BALANCE, JUNE 30, 2019		MEMO CUMULATIVE TOTAL EXPENDITURES	
									(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR		
New Jersey Department of Education:												
State Aid Public:												
Special Education Categorical Aid	495-034-5120-089	\$ 1,098,899.00	7/1/18-6/30/19	\$ -	\$ 1,098,899.00	\$ (1,098,899.00)	\$ -	\$ -	\$ -	\$ 110,094.94	\$ 1,098,899.00	
Security Aid	495-034-5120-084	387,815.00	7/1/18-6/30/19	-	387,815.00	(387,815.00)	-	-	-	38,853.86	387,815.00	
Adjustment Aid	495-034-5120-085	255,281.00	7/1/18-6/30/19	-	255,281.00	(255,281.00)	-	-	-	25,575.73	255,281.00	
School Choice Aid	495-034-5120-068	66,582.00	7/1/18-6/30/19	-	66,582.00	(66,582.00)	-	-	-	6,670.62	66,582.00	
Equalization Aid	495-034-5120-078	8,420,721.00	7/1/18-6/30/19	-	8,420,721.00	(8,420,721.00)	-	-	-	843,643.34	8,420,721.00	
Total State Aid Public												
Transportation Aid	495-034-5120-014	898,788.00	7/1/18-6/30/19	-	898,788.00	(898,788.00)	-	-	-	90,046.51	898,788.00	
Extraordinary Aid	495-034-5120-044	290,853.00	7/1/18-6/30/19	-	-	(290,853.00)	-	-	-	-	290,853.00	
Additional Non-Public Transportation Aid	495-034-5120-014	6,261.00	7/1/18-6/30/19	(2,206,682.00)	2,206,682.00	-	-	-	-	-	6,261.00	
Additional Non-Public Transportation Aid	495-034-5120-014	7,830.00	7/1/18-6/30/19	(7,830.00)	7,830.00	-	-	-	-	-	-	
Reimbursed TPAF Social Security Contributions	495-034-5120-003	930,693.00	7/1/18-6/30/19	(46,198.42)	46,198.42	-	-	-	-	-	-	
TPAF - Post Retirement	495-034-5094-003	94,115.74	7/1/18-6/30/19	-	757,288.22	(94,115.74)	-	-	(183,869.24)	-	94,115.74	
Medical (Noncash Assistance)	495-034-5094-001	1,131,682.00	7/1/18-6/30/19	-	1,131,682.00	(1,131,682.00)	-	-	-	-	1,131,682.00	
TPAF - Pension	495-034-5094-002	2,494,899.00	7/1/18-6/30/19	-	2,494,899.00	(2,494,899.00)	-	-	-	-	2,494,899.00	
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	979.00	7/1/18-6/30/19	-	979.00	(979.00)	-	-	-	-	979.00	
Total General Fund												
Special Revenue Fund:				(274,710.42)	15,787,644.64	(15,993,917.46)	-	-	(480,983.24)	1,114,885.00	15,993,917.46	
School Based Youth	100-034-5120-064	493,945.00	7/1/18-6/30/19	-	493,945.00	(493,945.00)	-	-	-	-	493,945.00	
Total Special Revenue Fund												
Debt Service Fund:												
Debt Service Aid	495-034-5120-075	1,069,915.00	7/1/18-6/30/19	-	1,069,915.00	(1,069,915.00)	-	-	-	-	1,069,915.00	
Total Debt Service Fund												
New Jersey Department of Agriculture:												
Enterprise Fund:												
National School Lunch Program	100-010-3350-023	7,898.10	7/1/18-6/30/19	-	7,534.45	(7,898.10)	-	-	(363.65)	-	7,898.10	
National School Lunch Program	100-010-3350-023	7,583.74	7/1/17-6/30/18	(569.00)	569.00	-	-	-	-	-	-	
Total Enterprise Fund												
Total State Financial Assistance		\$ (275,279.42)		\$ 17,359,608.09	\$ (17,565,675.56)	\$ -	\$ -	\$ -	\$ (481,346.89)	\$ -	\$ 1,114,885.00	
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:												
TPAF - Post Retirement												
Medical (Noncash Assistance)	495-034-5094-001	\$ 1,131,682.00	7/1/18-6/30/19	-	-	-	-	-	-	-	-	
TPAF - Pension	495-034-5094-002	2,494,899.00	7/1/18-6/30/19	-	-	-	-	-	-	-	-	
Contributions (Noncash Assistance)	495-034-5094-004	979.00	7/1/18-6/30/19	-	-	-	-	-	-	-	-	
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	979.00	7/1/18-6/30/19	-	-	-	-	-	-	-	-	
Total State Financial Assistance Subject to Calculation for Major Program Determination												
											\$ (13,938,115.56)	

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

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2019**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Pinelands Regional School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. 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. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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 School District for the year ended June 30, 2019. 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, 2019.

**PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2019 (Continued)**

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$18,445.00) for the general fund and \$27,159.20 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 64,917.71	\$ 15,975,472.46	\$ 16,040,390.17
Special Revenue Fund	1,057,439.20	493,945.00	1,551,384.20
Debt Service Fund	-	1,069,915.00	1,069,915.00
Food Service Fund	443,734.48	7,898.10	451,632.58
Total Awards & Financial Assistance	<u>\$ 1,566,091.39</u>	<u>\$ 17,547,230.56</u>	<u>\$ 19,113,321.95</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Pinelands Regional School District had no loan balances outstanding at June 30, 2019.

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	<u> X </u> no
2) Significant deficiency(ies) identified?	_____ yes	<u> X </u> none reported
Type of auditor's report issued on compliance for major programs	<u>Unmodified</u>	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	<u> X </u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	H027A160100	Special Education Cluster: I.D.E.A. Part B
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs	\$	<u>750,000.00</u>
Auditee qualified as low-risk auditee?	<u> X </u> yes	_____ no

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section I - Summary of Auditor's Results (Continued)

State Financial Assistance

Dollar threshold used to determine Type A programs	\$	<u>750,000.00</u>
Auditee qualified as low-risk auditee?	<u>X</u> yes	_____ no
Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	<u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	<u>X</u> none reported
Type of auditor's report issued on compliance for major programs		<u>Unmodified</u>

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
_____	State Aid Public:
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-085	Adjustment Aid
495-034-5120-068	School Choice Aid
495-034-5120-078	Equalization Aid
_____	_____
495-034-5094-003	Reimbursed TPAF Social Security Contributions
_____	_____
495-034-5120-075	Debt Service Aid
_____	_____

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

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

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**PINELANDS REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2019**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding 2018-001

Condition:

During our audit it was noted capital assets had been sold for scrap and those funds were used for department purchases rather than being turned over to the Finance Department for deposit into the District's accounts. Receipts provided for these scrap funds totaled \$584.50

Current Status

This finding has been corrected.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.