

**SCHOOL DISTRICT
OF**

BARRINGTON

**Barrington Board of Education
Barrington, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

**Comprehensive Annual
Financial Report**

of the

Barrington Board of Education

Barrington, New Jersey

For the Fiscal Year Ended June 30, 2020

**Prepared by
Barrington Board of Education
Finance Department**

BARRINGTON SCHOOL DISTRICT

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	2
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7

FINANCIAL SECTION

Independent Auditor's Report	9
Required Supplementary Information - Part I	
Management's Discussion and Analysis	13
Basic Financial Statements	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	22
A-2 Statement of Activities	23
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	25
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	26
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Proprietary Funds:	
B-4 Statement of Net Position	28
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	29
B-6 Statement of Cash Flows	30
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	31
B-8 Statement of Changes in Fiduciary Net Position	32
Notes to the Financial Statements	33

Required Supplementary Information - Part II

C.	Budgetary Comparison Schedules	
C-1	Budgetary Comparison Schedule - General Fund	67
C-1a	Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (if applicable)	N/A
C-2	Budgetary Comparison Schedule - Special Revenue Fund	74

Notes to the Required Supplementary Information

C-3	Budget-to-GAAP Reconciliation	75
-----	-------------------------------	----

Required Supplementary Information - Part III

L.	Schedules Related to Accounting and Reporting for Pensions (GASB-68)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System	77
L-2	Schedule of the District Contributions - Public Employees Retirement System	78
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Pension and Annuity Fund	79
M.	Schedule Related to Accounting and Reporting for OPEB (GASB-75)	
M-1	Schedule of Changes in the District's Total OPEB Liability Share of the Net OPEB Liability and Related Ratios	80

	Notes to the Required Supplementary Information - Part III	81
--	---	----

Other Supplementary Information

D.	School Level Schedules :	N/A
E.	Special Revenue Fund:	
E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis	84
F.	Capital Projects Fund:	
F-1	Summary Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	N/A
G.	Proprietary Fund:	
	Enterprise Fund:	
G-1	Combining Statement of Net Position	86
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	87
G-3	Combining Statement of Cash Flows	88
H.	Fiduciary Funds:	
H-1	Combining Statement of Fiduciary Net Position	90
H-2	Combining Statement of Changes in Fiduciary Net Position	91
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	92
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	93

I. Long-Term Debt:

I-1	Schedule of Serial Bonds	95
I-2	Schedule of Obligations under Capital Leases	96
I-3	Budgetary Comparison Schedule - Debt Service Fund	97

STATISTICAL SECTION (Unaudited)

J-1	Net Position by Component	99
J-2	Changes in Net Position, Last Ten Fiscal Years	100
J-3	Fund Balances, Governmental Funds, Last ten Fiscal Years	102
J-4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	103
J-5	General Fund - Other Local Revenue by Source, Last Ten Fiscal Years	104
J-6	Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	105
J-7	Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	106
J-8	Principal Property Tax Payers, Current Year and Nine Years Ago	107
J-9	Property Tax Levies and Collections, Last Ten Fiscal Years	108
J-10	Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	109
J-11	Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years	110
J-12	Ratios of Overlapping Governmental Activities Debt, As of December 31, 2019	111
J-13	Legal Debt Margin Information, Last Ten Fiscal Years	112
J-14	Demographic and Economic Statistics	113
J-15	Principal Employers, Current Year & Nine Years Ago (information not available)	N/A
J-16	Full-time Equivalent District Employees by Function/Program, Last Ten Fiscal Years	114
J-17	Operating Statistics, Last Ten Fiscal Years	115
J-18	School Building Information, Last Ten Fiscal Years	116
J-19	Schedule of Required Maintenance, Last Ten Fiscal Years	117
J-20	Insurance Schedule	118

SINGLE AUDIT SECTION

K-1	Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	120
K-2	Report on Compliance for Each Program and Report on Internal Control Over Compliance Required by New Jersey Circular 15-08-OMB	122
K-3	Schedule of Expenditures of Federal Awards, Schedule A	124
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	125
K-5	Notes to the Schedules of Awards and Financial Assistance	126
K-6	Schedule of Findings and Questioned Costs	128
K-7	Financial Statement Findings	130
K-7	Federal Awards and State Financial Assistance Findings and Questioned Costs	131
K-8	Summary Schedule of Prior Audit Findings	132

Introductory Section

Barrington School District

311 Reading Avenue

Barrington, NJ 08007

(856) 547-8467

(856) 547-5533 (fax)

Anthony Arcodia
Superintendent

Samuel Dutkin
*School Business Administrator/
Board Secretary*

December 18, 2020

Honorable President and
Members of the Board of Education
Barrington School District
County of Camden, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Barrington School District for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The CAFR is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officers. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (Uniform Guidance), and State of New Jersey Circular OMB15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Barrington School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Barrington Board of Education and all its schools constitute the District's reporting entity.

The District provides the following services:

- K-8 regular education
- Remedial services for at-risk students
- Special Education programs and related services as indicated in the Individual Education Plan (IEP) and required by N.J.A.C. 6:14, including a Preschool Disabilities Program
- Participation in the National School Lunch Program
- Transportation services, both public and nonpublic
- Tuition for the students who choose to attend Haddon Heights High School for grades 9-12.

2. **ECONOMIC CONDITION AND OUTLOOK:** The Barrington area is experiencing little change in demographics. Ratables have decreased. The community continues to benefit from grant programs for economic redevelopment of the downtown landscape.
3. **MAJOR INITIATIVES.** The administration continues to incorporate the common core standards into the educational programs, and to enhance technology use across content areas. Efforts are also being implemented to enhance school/community communications through the use of technology.
4. **INTERNAL ACCOUNTING CONTROLS.** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

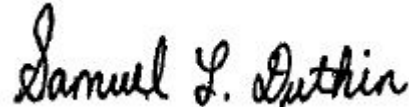
5. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated 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 canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2020.
6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.
7. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by a state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Board also carried Builders Risk coverage for the facility expansion and renovation projects.
9. **OTHER INFORMATION: Independent Audit –** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso and Stewart, LLC was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of of Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (Uniform Guidance), and State of New Jersey OMB 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
10. **ACKNOWLEDGMENTS:** We would like to once again express our appreciation to the members of the Barrington School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



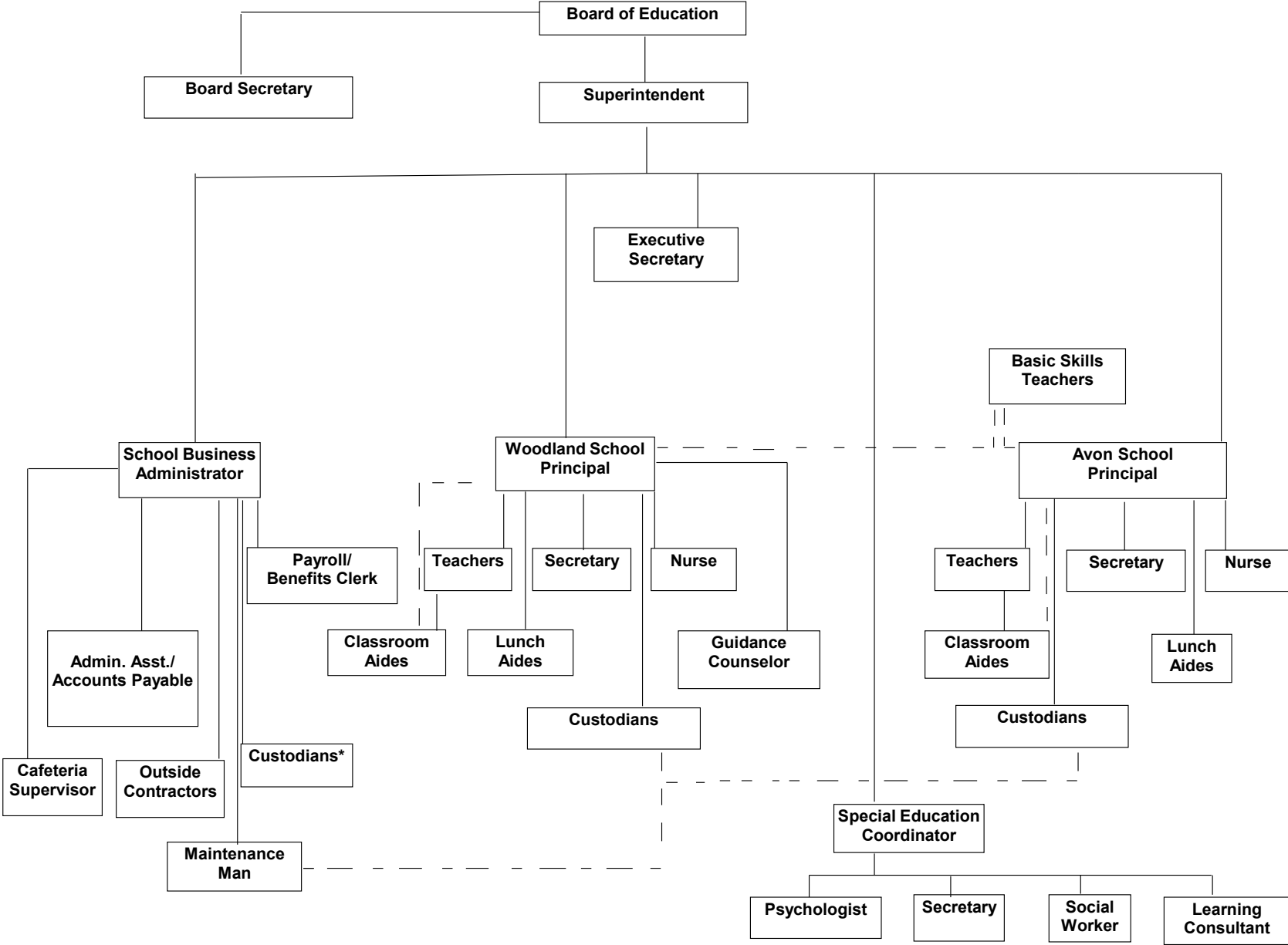
Anthony Arcodia
Superintendent of Schools



Samuel Dutkin
School Business Administrator/
Board Secretary

BARRINGTON BOARD OF EDUCATION

Organizational Chart (Unit Control)



*Summer

BARRINGTON SCHOOL DISTRICT

Roster of Officials

June 30, 2020

Members of the Board of Education:

Term Expires

Carla Bolling, President	2022
Jennifer Schuster, Vice President	2020
Sherry Chin-Glaser	2021
Mark Correa	2021
Robert Klopp	2022
Kelli Martone	2020
Holly McCauley	2022
Ruth Ross	2020
Martin Schoettler, Jr.	2020

Other Officials:

Anthony Arcodia, Superintendent
Samuel Dutkin, Business Administrator / Board Secretary
Mary E. Bakey, Treasurer
Mark G. Toscano, Esq., Solicitor, Comegno Law Group

**BARRINGTON SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

Inverso & Stewart, LLC
651 Route 73 North, Suite 402
Marlton, NJ 08053

Attorney

Mark G. Toscano, Esquire
521 Pleasant Valley Avenue
Moorestown, NJ 08057

Broker of Record

Hardenbergh Insurance Group
8000 Sagemore Drive
Suite 8101
Marlton, NJ 08053

Official Depository

BB&T Bank
305 White Horse Pike
Lawnside, NJ 08045

Financial Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: rinverso@inversocpa.com

-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Barrington School District
County of Camden
Barrington, New Jersey

Report on the Financial Statements

I 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 Barrington School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2020, 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit 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; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that I 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 School 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 School District's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my 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 Barrington School District, in the County of Camden, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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, schedule of the School District's proportionate share of the net pension liability and schedule of the School District's contributions, schedule of the State's proportionate share of the net OPEB liability associated with the School District and changes in the total OPEB liability and related ratios 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. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Barrington 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 Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, 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 schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate 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 and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my 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 and statistical sections 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, I do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 18, 2020 on my consideration of the Barrington School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Barrington School District's internal control over financial reporting and compliance.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 18, 2020

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Barrington School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

As management of the Board of Education of the Barrington, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$534,073 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$2,511,648. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, accrued interest payable, and the June state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased by \$103,754, or an 24.11% increase from the prior fiscal year-end balance. The majority of this increase is attributable to the operations in the governmental funds.
- Fund balance of the School District's governmental funds increased by \$232,090 resulting in an ending fund balance of \$2,606,200. This increase is primarily attributable to the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$17,273 which may be used for the operation of the School District's enterprise-related activities (Food Services Program).
- The School District's long-term obligations decreased by \$381,063 which is the reduction of general obligation bonds, pension liability, capital leases and compensated absences.

Overview of the Basic Financial Statements

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

District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities consolidate the Food Service Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

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

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements and equipment. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued interest expense on long-term debt, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2021. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2021.

The assets of the primary government activities exceeded liabilities by \$490,086 with a deficit unrestricted balance of \$2,511,648. As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, capital leases payable, accrued interest payable, the June state aid payment, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

The net position of the primary government does not include internal balances.

A net investment of \$399,071 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's students, accounts for 81.43% of the total net position of the District.

Net position of \$2,602,663 has been restricted as follows:

Designated for the 2020/21 budget	\$ 229,034
Year End Encumbrances	89,013
Tuition Reserve	690,000
Emergency Reserve	135,791
Maintenance Reserve	321,645
Capital projects	<u>1,137,180</u>
	<u>\$ 2,602,663</u>

**Barrington School District
Comparative Summary of Net Position
As of June 30, 2020 and 2019**

	Governmental Activities		Business-Type Activities		District-Wide	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current assets	\$ 2,671,621	\$ 2,421,713	\$ 27,658	\$ 42,289	\$ 2,699,279	\$ 2,464,002
Capital assets	3,829,814	4,217,068	26,714	29,253	3,856,528	4,246,321
Total assets	6,501,435	6,638,781	54,372	71,542	6,555,807	6,710,323
Deferred Outflows of Resources	468,557	527,367			468,557	527,367
LIABILITIES						
Current liabilities	568,863	509,006	10,385	3,135	579,248	512,141
Noncurrent liabilities	5,194,041	5,608,977			5,194,041	5,608,977
Total liabilities	5,762,904	6,117,983	10,385	3,135	5,773,289	6,121,118
Deferred Inflows of Resources	717,002	686,253			717,002	686,253
Net Position	\$ 490,086	\$ 361,912	\$ 43,987	\$ 68,407	\$ 534,073	\$ 430,319
Net Position Consists of:						
Net investment in						
Capital Assets	\$ 399,071	\$ 480,998	\$ 26,714	\$ 29,253	\$ 425,785	\$ 510,251
Restricted Assets	2,602,663	2,379,585			2,602,663	2,379,585
Unrestricted Assets	(2,511,648)	(2,498,671)	17,273	39,154	(2,494,375)	(2,459,517)
Net Position	\$ 490,086	\$ 361,912	\$ 43,987	\$ 68,407	\$ 534,073	\$ 430,319

Governmental Activities

Governmental activities increased the net position of the School District by \$128,174 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Depreciation expense of \$523,288.
- Results of Operations in the General Fund of \$232,090.
- Payment of Bond and Capital Lease Principal of \$305,327.

Business-type Activities

Business-type activities decreased the School District's net position by \$24,420. Key elements of the increase in net position for business-type activities are as follows:

- The food service fund had a net loss of \$24,420.

**Barrington School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Year Ended June 30, 2020 and 2019**

	Governmental Activities		Business-Type Activities		District-Wide	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenue						
Charges for services	\$ -	\$ 196,111	\$ 76,154	\$ 108,138	\$ 76,154	\$ 304,249
Operating grants and contributions	4,460,294	4,744,757	94,715	88,229	4,555,009	4,832,986
General Revenue						
Property taxes	10,956,361	10,748,778			10,956,361	10,748,778
State aid - unrestricted	3,524,928	3,477,216			3,524,928	3,477,216
Other revenues	21,447	2,417	176	20	21,623	2,437
Total Revenues	18,963,030	19,169,279	171,045	196,387	19,134,075	19,365,666
Expenses:						
Governmental Activities:						
Instruction	5,139,303	5,178,042			5,139,303	5,178,042
Tuition	3,993,328	3,805,316			3,993,328	3,805,316
Related services	1,136,268	1,194,350			1,136,268	1,194,350
Administrative services	865,100	776,446			865,100	776,446
Operations and Maintenance	1,098,153	1,055,913			1,098,153	1,055,913
Transportation	379,076	451,280			379,076	451,280
Interest on debt	145,650	155,012			145,650	155,012
Other	104,658	104,417			104,658	104,417
Transfer to Charter Schools					-	-
Employee Benefits	5,973,320	6,254,984			5,973,320	6,254,984
Business-Type Activities:						
Food Service			195,465	206,714	195,465	206,714
Total Expenses	18,834,856	18,975,760	195,465	206,714	19,030,321	19,182,474
Increase (Decrease) in Net Position before transfers	128,174	193,519	(24,420)	(10,327)	103,754	183,192
Transfers						
Change in Net Position	128,174	193,519	(24,420)	(10,327)	103,754	183,192
Net Position, July 1	361,912	168,393	68,407	78,734	430,319	247,127
Net Position, June 30	\$ 490,086	\$ 361,912	\$ 43,987	\$ 68,407	\$ 534,073	\$ 430,319

Financial Analysis of the Governmental Funds

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

Governmental Funds - The focus of the School 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 School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$2,606,200, an increase of \$232,090 in comparison with the prior year. The increase can be attributed to the results of operations in the general fund.

The unassigned general fund balance at the end of the fiscal year is \$3,537. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been committed as follows: 1) restricted cash reserved for future capital outlay expenditures \$1,137,180, 2) appropriated as a revenue source in the subsequent year's budget \$229,034, 3) reserved for year end encumbrances \$89,013 4) reserved for tuition \$690,000, 5) reserved for emergency \$135,791, or 6) reserved for future maintenance projects \$321,645.

The general fund is the chief operating fund of the School District. As discussed earlier, the minimal fund balance is due, primarily, to the accounting treatment of the June state aid payments as discussed in the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

Revenue is generally recognized at the time that the outlays are identified; therefore no fund balances are normally generated in the special revenue fund.

General Fund Budgetary Highlights

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$344,890, while total fund balance (budgetary basis) was \$2,947,553. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$15,674,529. Unassigned fund balance (budgetary basis) represents 2.20% of expenditures while total fund balance (budgetary basis) represents 18.80% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2020, totaled \$3,856,524 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$389,797, or an 9.18% decrease.

Major capital assets events during the current fiscal year included the following:

- Depreciation expense for the current fiscal year was \$523,288
- Capital Additions totaling \$134,034

**Barrington School District
Capital Asset (net of accumulated depreciation)
June 30, 2020 and 2019**

	Governmental Activities		Business-Typel Activities		District-Wide	
	2020	2019	2020	2019	2020	2019
Land	\$ 133,067	\$ 133,067			\$ 133,067	\$ 133,067
Const. in Progress					-	-
Site Improvements	24,204	25,593			24,204	25,593
Building and Building Improvements	3,561,607	3,971,735			3,561,607	3,971,735
Equipment	110,936	86,673	\$ 26,710	\$ 29,253	137,646	115,926
Total	\$ 3,829,814	\$ 4,217,068	\$ 26,710	\$ 29,253	\$ 3,856,524	\$ 4,246,321

Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2020, the School District had total bonded debt outstanding of \$3,420,000 backed by the full faith and credit of the School District. In addition, the School District has outstanding lease obligations in the amount of \$10,743 and future compensated absences of \$83,135.

General obligation bonds for the School District decreased during the current fiscal year according to the normal schedule of payments.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$15,713,671 and the legal debt margin was \$12,293,671.

Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District’s budget for the 2020-2021 fiscal year.

- For the 2020-21 fiscal year the School District will be receiving a slight increase in state aid. The local tax levy in the General Fund increased \$210,255 over the previous year. Salaries continue to increase contractually; however, the District has managed to control costs. The 2020-21 General Fund Budget is \$238,366 greater than the previous year or a 1.50% increase.

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 School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Barrington School District Business Administrator, 311 Reading Avenue, Barrington, New Jersey, 08007, telephone number (856) 547-8648.

Basic Financial Statements

District-Wide Financial Statements

BARRINGTON SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 899,693	\$ 10,018	\$ 909,711
Receivables, net	313,103	10,492	323,595
Inventory		7,148	7,148
Restricted assets:			
Restricted cash and cash equivalents	1,458,825		1,458,825
Capital assets, net (Note 5)	3,829,814	26,714	3,856,528
Total Assets	<u>6,501,435</u>	<u>54,372</u>	<u>6,555,807</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	<u>468,557</u>		<u>468,557</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:	<u>6,969,992</u>	<u>54,372</u>	<u>7,024,364</u>
LIABILITIES:			
Accounts Payable			
Related to pensions	112,730		112,730
Other	65,421	3,740	69,161
Intergovernmental Payable			
State			
Unearned Revenue		6,645	6,645
Accrued Interest Payable	34,200		34,200
Noncurrent Liabilities:			
Due within one year	356,512		356,512
Due beyond one year	5,194,041		5,194,041
Total Liabilities	<u>5,762,904</u>	<u>10,385</u>	<u>5,773,289</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of resources from pensions	<u>717,002</u>		<u>717,002</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:	<u>6,479,906</u>	<u>10,385</u>	<u>6,490,291</u>
NET POSITION:			
Net Investment in Capital Assets	399,071	26,714	425,785
Restricted for:			
Capital Projects	1,137,180		1,137,180
Other Purposes	1,465,483		1,465,483
Unrestricted (Deficit)	<u>(2,511,648)</u>	<u>17,273</u>	<u>(2,494,375)</u>
Total Net Position	<u>\$ 490,086</u>	<u>\$ 43,987</u>	<u>\$ 534,073</u>

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

BARRINGTON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Governmental Activities:						
Instruction:						
Regular	\$ 3,330,576		\$ 108,952	\$ -	\$ (3,221,624)	\$ (3,221,624)
Special Education	1,701,877		211,089		(1,490,788)	(1,490,788)
Other instruction	106,850				(106,850)	(106,850)
Support Services:						
Tuition	3,993,328				(3,993,328)	(3,993,328)
Student & instruction related services	1,136,268				(1,136,268)	(1,136,268)
General administrative services	293,791		11,601		(282,190)	(282,190)
School administrative services	206,813				(206,813)	(206,813)
Central services	364,496				(364,496)	(364,496)
Plant operations and maintenance	1,098,153				(1,098,153)	(1,098,153)
Pupil transportation	379,076				(379,076)	(379,076)
Unallocated benefits	5,973,320		4,128,652		(1,844,668)	(1,844,668)
Interest on long-term debt	145,650				(145,650)	(145,650)
Unallocated depreciation and amortization	104,658				(104,658)	(104,658)
Total Governmental Activities	<u>18,834,856</u>		<u>4,460,294</u>		<u>(14,374,562)</u>	<u>(14,374,562)</u>
Business-Type Activities:						
Food service	195,465	76,154	94,715		(24,596)	(24,596)
Total Business-Type Activities	<u>195,465</u>	<u>76,154</u>	<u>94,715</u>		<u>(24,596)</u>	<u>(24,596)</u>
Total Primary Government	<u>\$ 19,030,321</u>	<u>\$ 76,154</u>	<u>\$ 4,555,009</u>	<u>\$ -</u>	<u>(14,374,562)</u>	<u>(14,399,158)</u>
General Revenues:						
Taxes:						
Property taxes, levied for general purposes, net					10,512,761	10,512,761
Taxes levied for debt service					443,600	443,600
Federal and State aid not restricted					3,524,928	3,524,928
Investment Earnings					4,539	4,539
Miscellaneous Income					16,908	17,084
Total general revenues, special items, extraordinary items and transfers					<u>14,502,736</u>	<u>14,502,912</u>
Change in Net Position					128,174	(24,420)
Net Position - July 1, 2019					361,912	68,407
Net Position - June 30, 2020					<u>\$ 490,086</u>	<u>\$ 43,987</u>

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

Fund Financial Statements

BARRINGTON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2020

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 707,743	\$ -	\$ 191,950	\$ -	\$ 899,693
Receivables, net					
State aid	105,513				105,513
Federal aid		85,654			85,654
Other accounts receivable	4,800				4,800
Interfund	359,876				359,876
Restricted assets:					
Cash and cash equivalents	1,458,825				1,458,825
Total Assets	\$ 2,636,757	\$ 85,654	\$ 191,950	\$ -	\$ 2,914,361
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	30,557	34,864			65,421
Interfund payable		50,790	191,950		242,740
Total Liabilities	30,557	85,654	191,950		308,161
Fund Balances:					
Restricted for:					
Capital reserve	1,137,180				1,137,180
Maintenance reserve	321,645				321,645
Tuition reserve - current year	350,000				350,000
Tuition reserve - prior year	340,000				340,000
Emergency reserve	135,791				135,791
Assigned to:					
Year-end encumbrances	89,013				89,013
Subsequent year's budget	229,034				229,034
Unassigned	3,537				3,537
Total Fund Balances	2,606,200				2,606,200
Total Liabilities and Fund Balances	\$ 2,636,757	\$ 85,654	\$ 191,950	\$ -	

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 \$12,621,027 and the accumulated depreciation is \$8,791,213.	3,829,814
Bond issuance premiums are recorded as revenue in the Governmental Funds in the year of receipt. The premiums are amortized over the life of the issued bonds.	(155,813)
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds.	(34,200)
Accounts payable related to the April 1, 2020 required PERS contribution that is not to be liquidated with current financial resources.	(112,730)
The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:	
Deferred Outflows of resources from Pensions	\$ 468,557
Net Pension Liability	(1,880,862)
Deferred Inflows of resources from Pensions	(717,002)
	(2,129,307)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds:	
General Obligation Bonds	(3,420,000)
Compensated Absences Payable	(83,135)
Capital Leases Payable	(10,743)
	(3,513,878)
Net position of governmental activities	\$ 490,086

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

BARRINGTON SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$ 10,512,761	\$ -	\$ -	\$ 443,600	\$ 10,956,361
Tuition	6,950				6,950
Interest earned	4,539				4,539
Miscellaneous	9,958				9,958
Total local sources	10,534,208			443,600	10,977,808
State sources	5,372,411				5,372,411
Federal sources		357,477			357,477
Total Revenues	15,906,619	357,477	-	443,600	16,707,696
EXPENDITURES:					
Current expense:					
Regular instruction	2,865,093	108,952			2,974,045
Special education instruction	1,490,788	211,089			1,701,877
Other instruction	106,850				106,850
Support services and undistributed costs:					
Tuition	3,993,328				3,993,328
Student & instruction related services	1,124,667	11,601			1,136,268
General administrative services	267,627				267,627
School administrative services	206,813				206,813
Central services	166,892				166,892
Administrative information technology	171,440				171,440
Plant operations and maintenance	838,646				838,646
Pupil transportation	379,076				379,076
Unallocated employee benefits	3,667,768	25,835			3,693,603
Capital outlay	395,541				395,541
Debt service:					
Principal				295,000	295,000
Interest and other charges				148,600	148,600
Total Expenditures	15,674,529	357,477	-	443,600	16,475,606
Excess (Deficiency) of Revenues over (under) Expenditures	232,090	-	-	-	232,090
Other Financing Sources (Uses):					
Transfers in					-
Transfers out					-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	232,090	-	-	-	232,090
Fund Balances - July 1, 2019	2,374,110	-	-	-	2,374,110
Fund Balances - June 30, 2020	<u>\$ 2,606,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,606,200</u>

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

BARRINGTON SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2020

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 232,090

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

Governmental Funds report capital outlays 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 capital outlays exceeded depreciation in the current period.

Depreciation expense	\$ (523,288)	
Capital Outlay Additions	<u>136,034</u>	(387,254)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 295,000

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities. 10,327

Bond Premium arising from the issuance of the refunding school bonds is recorded as a deferred inflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of amortization. 17,313

Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities. (34,711)

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. This amount is the net effect of the difference in the treatment of interest on long-term debt. 2,950

In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). (7,541)

Change in net position of Governmental Activities \$ 128,174

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

BARRINGTON SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities Enterprise Funds
	Food Service Fund
ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 10,018
Intergovernmental receivables:	
State	552
Federal	9,940
Inventories	7,148
Total current assets	27,658
Noncurrent assets:	
Machinery and equipment (net of accumulated depreciation)	26,714
Total noncurrent assets	26,714
Total Assets	\$ 54,372
LIABILITIES:	
Current liabilities:	
Accounts Payable	\$ 3,740
Unearned Revenue	6,645
Total current liabilities	10,385
NET POSITION:	
Net investment in capital assets	26,714
Unrestricted	17,273
Total Net Position	\$ 43,987

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

BARRINGTON SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities Enterprise Funds
	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily sales:	
Reimbursable programs	\$ 38,560
Non-reimbursable programs	37,594
	76,154
Operating Expenses:	
Salaries	82,805
Employee benefits	15,097
Supplies and materials	4,444
Management fee	21,795
Other costs	12,879
Depreciation	2,539
Cost of Sales - reimbursable programs	42,743
Cost of Sales - non-reimbursable programs	13,163
	195,465
Total Operating Expenses	195,465
Operating Income (Loss)	(119,311)
Non-Operating Revenues:	
State sources:	
State school lunch program	1,994
Federal sources:	
National school lunch program	60,792
School breakfast program	20,723
Food distribution program	11,206
Local sources:	
Interest earned	176
	94,891
Total Non-Operating Revenues	94,891
Income (Loss) before Contributions and Transfers	(24,420)
Operating Transfers In	-
Change in Net Position	(24,420)
Net Position - July 1, 2019	68,407
Net Position - June 30, 2020	\$ 43,987

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

BARRINGTON SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	<u>Business-Type Activities Enterprise Funds</u>
	<u>Food Service Fund</u>
Cash Flows from Operating Activities:	
Cash receipts from customers	\$ 79,664
Cash payments to employees for services	(94,348)
Cash payments to suppliers for goods and services	(83,445)
Net Cash Provided by (used for) Operating Activities	(98,129)
Cash Flows from Noncapital Financing Activities:	
Cash received from state sources	1,545
Cash received from federal sources	75,961
Net Cash Provided by (used for) Noncapital Financing Activities	77,506
Cash Flows Used by Capital and Related Financing Activities:	
Capital asset adjustment from prior year	
Cash Flow Provided by Investing Activities:	
Interest on Cash Equivalents	176
Net Increase (Decrease) in Cash and Cash Equivalents	(20,447)
Cash and Cash Equivalents - July 1, 2019	30,465
Cash and Cash Equivalents - June 30, 2020	\$ 10,018
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Operating Income (Loss)	\$ (119,311)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (used for) Operating Activities:	
Depreciation	2,539
Commodities	11,206
Change in Assets and Liabilities:	
(Increase) Decrease in Inventories	187
Increase (Decrease) in Accounts Payables	3,740
Increase (Decrease) in Unearned Revenue	3,510
Net Cash Provided by (used for) Operating Activities	\$ (98,129)

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

BARRINGTON SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Trust Funds		Agency Funds
	Unemployment Compensation Trust	Flexible Benefit Trust	
ASSETS:			
Cash and Cash Equivalents	\$ 19,644	\$ 2,682	\$ 127,021
Other Receivable	-	-	-
Total Assets	<u>\$ 19,644</u>	<u>\$ 2,682</u>	<u>\$ 127,021</u>
LIABILITIES:			
Interfund Payable	\$ -	\$ 1,425	\$ 115,711
Accounts Payable	2,084		-
Due to Student Groups	-	-	11,310
Total Liabilities	<u>2,084</u>	<u>1,425</u>	<u>\$ 127,021</u>
NET Position:			
Held in Trust for Claims	<u>\$ 17,560</u>	<u>\$ 1,257</u>	

BARRINGTON SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2020

	Unemployment Compensation Trust Fund	Flexible Benefits Trust Fund
	<u> </u>	<u> </u>
ADDITIONS:		
Contributions - employee	\$ 10,584	\$ 393
Contributions - other	-	-
Interest on Investments	42	18
	<u> </u>	<u> </u>
Total Additions	<u>10,626</u>	<u>411</u>
DEDUCTIONS:		
Claims paid	2,345	5,711
Miscellaneous	29	27
	<u> </u>	<u> </u>
Total Deductions	<u>2,374</u>	<u>5,738</u>
Change in Net Position	8,252	(5,327)
Net Position - July 1	<u>9,308</u>	<u>6,584</u>
Net Position - June 30	<u><u>\$ 17,560</u></u>	<u><u>\$ 1,257</u></u>

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Barrington School District (“School District”) is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 8. Students in grades 9 through 12, attend, on a tuition basis, the Haddon Heights High School District. The Barrington School District has an approximate enrollment at June 30, 2020 of 603 students.

The primary criteria for including activities within the School District’s reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School district over which the Board exercises operating control.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide 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 Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. 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.

Basis of Presentation

The basic financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District’s accounting policies are described below.

The School District’s basic financial statements consists of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District’s governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Statements (Continued) - The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's 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 non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America 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, district taxes and appropriated fund balance. Expenditures are those which 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 and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically 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 and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds - Proprietary funds are used to account for the School District’s ongoing activities, which are similar to those in the private sector.

Enterprise Funds – The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District’s enterprise funds are:

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

All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: trust funds and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds; a flexible spending account, a unemployment compensation trust fund, a student activity fund, and a payroll fund.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued) – The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end; tuition, grants, fees, and rentals.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. 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. 6:23A-16.2(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:23A-13.3.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets/Budgetary Control (Continued) - Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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 accounting as presented in the general fund budgetary comparison schedule 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 balances – governmental funds. Note that the School District does not report encumbrances outstanding at 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 one or more June 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. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 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), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2020 and 2019 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements.

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2020.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Deferred Outflows/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 period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Short-Term Interfund Receivables / Payables - Short-term 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. 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.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned, but undisbursed amounts be retained in a separate bank account.

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 absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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

Bond Discount and Bond Premium – Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on 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, governmental 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. Bonds are recognized as a liability on the fund financial statements when due.

Net Position - Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position (Continued) Net position is classified into the following three components:

Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted – 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 law or regulations of other governments.

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

It is the School District’s policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance – The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District’s classifications, and policies for determining such classifications, are as follows:

Nonspendable – The nonspendable fund balance 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. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2020.

Restricted – This fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision-making authority, which for the School District is the Board of Education. Once committed, 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 imposing the commitment.

Assigned – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – This fund balance classification is the residual classification for the General Fund. It represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program and tuition fees for the before and after school program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Recently Issued Accounting Pronouncements – In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In June 2017, the GASB issued Statement 87, *Leases*. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In June 2018, the GASB issued Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In May 2019, the GASB issued 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. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. This Statement should have no impact on the District’s financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objectives of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after December 15, 2022. This Statement should have no impact on the District’s financial statements.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued) - In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District’s amount on deposit of \$2,922,393 as of June 30, 2020, \$250,000 was insured under FDIC and the remaining balance of \$2,672,393 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The 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 New Jersey Department of Education, 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 fiscal 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 to 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, 2019 to June 30, 2020 fiscal year is as follow:

Balance – July 1, 2019		\$ 945,655
Increased by:		
Interest earned	\$ 2,525	
Board resolution	564,000	566,525
		1,512,180
Decreased by:		
Budget withdrawal		375,000
Balance – June 30, 2020		\$ 1,137,180

The June 30, 2020 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

4. ACCOUNTS RECEIVABLES

Accounts receivables at June 30, 2020 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2020 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Intergovernmental				
Local	\$ 4,800	\$ -	\$ -	\$ 4,800
State	105,513	-	552	106,065
Federal	-	85,654	9,940	95,594
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 110,313</u>	<u>\$ 85,654</u>	<u>\$ 10,492</u>	<u>\$ 206,459</u>

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Governmental Activities:				
Land	\$ 133,067	\$ -	\$ -	\$ 133,067
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	133,067			133,067
Land Improvements	161,200	2,850		164,050
Building and Improvements	11,573,487	87,125		11,660,612
Vehicles	30,000	24,170		54,170
Equipment	587,239	21,889		609,128
Total Historical Cost	<u>12,484,993</u>	<u>136,034</u>	<u>-</u>	<u>12,621,027</u>
Less Accumulated Depreciation:				
Land Improvements	(135,607)	(4,239)		(139,846)
Building and Improvements	(7,601,752)	(497,253)		(8,099,005)
Vehicles	(28,125)	(4,644)		(32,769)
Equipment	(502,441)	(17,152)		(519,593)
Total Accumulated Depreciation	<u>(8,267,925)</u>	<u>(523,288)</u>	<u>-</u>	<u>(8,791,213)</u>
Governmental Activities Capital Assets, Net	<u>\$ 4,217,068</u>	<u>\$ (387,254)</u>	<u>\$ -</u>	<u>\$ 3,829,814</u>

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

5. CAPITAL ASSETS (Continued)

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Business-Type Activities:				
Equipment	\$ 85,889	\$ -	\$ (4)	\$ 85,885
Less - Accumulated Depreciation	(56,636)	(2,539)		(59,175)
Business-Type Activities Capital Assets, Net	<u>\$ 29,253</u>	<u>\$ (2,539)</u>	<u>\$ (4)</u>	<u>\$ 26,710</u>

Depreciation expense in the amount of \$523,288 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 366,302
Central Administration	26,164
General Administration	26,164
Unallocated	<u>104,658</u>
Total depreciation expense	<u>\$ 523,288</u>

6. INVENTORY

Inventory in the Food Service Fund at June 30, 2020 consisted of the following:

Food	\$ 5,642
Supplies	<u>1,506</u>
	<u>\$ 7,148</u>

7. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2020, the following changes occurred in long-term obligations:

	<u>Principal</u> <u>Outstanding</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal</u> <u>Outstanding</u> <u>June 30, 2020</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Compensated Absences	\$ 75,594	\$ 7,541	\$ -	\$ 83,135	\$ 13,456
Obligations under Capital Leases	21,070	-	10,327	10,743	10,743
Unamortized Bond Premium	173,126	-	17,313	155,813	17,313
General Obligation Bonds	3,715,000	-	295,000	3,420,000	315,000
Net Pension Liability	<u>1,946,826</u>	<u>-</u>	<u>65,964</u>	<u>1,880,862</u>	<u>-</u>
	<u>\$ 5,931,616</u>	<u>\$ 7,541</u>	<u>\$ 388,604</u>	<u>\$ 5,550,553</u>	<u>\$ 356,512</u>

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

7. LONG-TERM OBLIGATIONS (Continued)

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the School District are as follows:

Series 2012 Refunding Bonds dated December 19, 2012 in the amount of \$3,420,000 due in annual installments through April 1, 2029, bearing an interest rate of 4.00%.

As of June 30, 2020, principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 315,000	\$ 136,800	\$ 451,800
2022	325,000	124,200	449,200
2023	345,000	111,200	456,200
2024	370,000	97,400	467,400
2025	385,000	82,600	467,600
2026-2029	<u>1,680,000</u>	<u>169,200</u>	<u>1,849,200</u>
Total	<u>\$ 3,420,000</u>	<u>\$ 721,400</u>	<u>\$ 4,141,400</u>

As of June 30, 2020, the School District had no authorizations to issue additional bonded debt.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Capital Leases Payable - The School District has entered into the following capital lease agreement:

<u>Equipment</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Phone System	July 1, 2020	4.02%	\$ 30,996

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2020:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	<u>\$ 10,743</u>	<u>\$ 432</u>	<u>\$ 11,175</u>
	<u>\$ 10,743</u>	<u>\$ 432</u>	<u>\$ 11,175</u>

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

8. OPERATING LEASES

At June 30, 2020, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$13,923 for the fiscal year ended June 30, 2020. The future minimum lease payments for these leases are as follows:

2021	\$	13,912
2022		13,912
2023		11,278
	\$	39,102

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. 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. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

Vesting and Benefit Provisions – 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 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:

Tier	Definition
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 tier 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.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

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 their respective tier.

Contributions - The contribution requirements of plan members are determined 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 member contribution rate was 7.50% in State fiscal year 2020. 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.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2020 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2020 was \$916,869 and was paid by April 1, 2020. School District employee contributions to the pension plan during the fiscal year ended June 30, 2020 were \$382,596.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and 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.

At June 30, 2020, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2020, the School District recognized pension expense of \$1,650,667 and revenue of \$1,650,667 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/19</u>	<u>06/30/18</u>
Collective deferred outflows of resources	\$ 9,932,767,606	\$ 12,473,998,870
Collective deferred inflows of resources	17,539,845,423	16,180,773,643
Collective net pension liability (Non-Employer – State of New Jersey)	61,519,112,443	63,617,852,031
State's portion of the net pension liability that was associated with the School District	27,985,628	28,522,223
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.0456007786%	.0448336774%

Actuarial assumptions – The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55- 4.45%
	based on years of service
Thereafter	2.75 – 5.65%
	based on years of service
Investment Rate of Return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality tables with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) 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.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<u>100.00%</u>	

Discount rate. The discount rate used to measure the State's total pension liability was 5.60% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on 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. 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 (State of New Jersey) will be based on 70% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, 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. As such, the proportionate share of the net pension liability as of June 30, 2019, the pension plans measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 5.60%, 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 (4.60%) or 1 percentage point higher (6.60%) that the current rate:

	<u>1% Decrease (4.60%)</u>	<u>Current Discount Rate (5.60%)</u>	<u>1% Increase (6.60%)</u>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	<u>33,001,250</u>	<u>27,985,628</u>	<u>23,824,246</u>
	<u>\$ 33,001,250</u>	<u>\$ 27,985,628</u>	<u>\$ 23,824,246</u>

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. 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>.

Vesting and Benefit Provisions – 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 medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
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 with 25 or more years of service credit before age 62, 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 their respective tier.

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate was 7.50% in State fiscal year 2019. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2020 was 14.67% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2019, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2020 was \$101,614 and was paid by April 1, 2020. School District employee contributions to the pension plan during the fiscal year ended June 30, 2020 were \$58,097.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Long Term Disability</u>	<u>Total Liability Paid by District</u>
2020	\$ 9,396	\$ 86,949	\$ 5,192	\$ 77	\$ 101,614
2019	12,290	81,588	4,472	97	98,447
2018	12,138	75,588	4,495	313	92,534

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At June 30, 2020, the School District reported a liability of \$8,949,303 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2020, the School District recognized pension expense of \$136,246. At June 30, 2020, the School District reported a liability of \$1,880,862 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33,759	\$ 8,309
Changes of assumptions	187,811	652,841
Net Difference between projected and actual earnings on pension plan investments		29,690
Changes in proportion	134,257	26,162
District contributions subsequent to the measurement date	112,730	
Total	\$ 468,557	\$ 717,002

\$112,730 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2020, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net liability in the year ended June 30, 2020.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2021	\$ (43,685)
2022	(140,755)
2023	(102,535)
2024	(63,620)
2025	(10,585)
Total	\$ (361,180)

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 Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	-	5.21
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	-	5.63
June 30, 2019	-	5.21
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2015	5.00	5.00
June 30, 2016	5.00	5.00
June 30, 2017	5.00	5.00
June 30, 2018	5.00	5.00
June 30, 2019	5.00	5.00

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Additional Information

Collective balances at June 30, 2019 and 2018 are as follows:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Collective deferred outflows of resources	\$ 3,149,522,616	\$ 4,684,852,302
Collective deferred inflows of resources	\$ 7,645,087,574	\$ 7,646,736,226
Collective net pension liability	\$ 18,143,832,135	\$ 19,689,501,539
School District's Proportion	.0104385147%	.0098876327%

Actuarial assumptions – The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 – 6.00% based on years of service
Thereafter	3.00 – 7.00% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) 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.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
Total	100.00%	

Discount rate. The discount rate used to measure the State's total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on 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. 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 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. 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 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, 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 measured as of June 30, 2019, calculated using the discount rate of 6.28%, 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 (5.28%) or 1 percentage point higher (7.28%) than the current rate:

	<u>1% Decrease (5.28%)</u>	<u>Current Discount Rate (6.28%)</u>	<u>1% Increase (7.28%)</u>
School District's proportionate share of the net pension liability	\$ 2,375,834	\$ 1,880,862	\$ 1,463,778

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District’s contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District’s contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Total Liability	Paid by School District
2020	\$ 5,339	\$ 5,339
2019	4,418	4,418
2018	4,938	4,938

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan (the “OPEB Plan”) is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated io. 75 – Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the “Division”) and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Contributions

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the “State”) 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 Teacher’s Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen Retirement System (PFRS). 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.

Plan Membership

As of June 30, 2018, the program membership consisted of the following:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
	364,943

Total Non-Employer OPEB Liability

The State of New Jersey, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB Plan for qualified retired PERS, TPAF and PFRS participants. The School Districts’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Actuarial assumptions and other imputes - The total nonemployer OPEB liability as of the June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member enrolled in.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%		
	TPAF/ABP	PERS	PFRS
Salary Increases Through 2026	1.55 – 3.05% based on years of service	2.00 – 6.00% based on age	3.25 – 15.25% based on age
Thereafter	1.55 - 3.05% based on years of service	3.00 - 7.00% based on age	3.10 - 9.98% based on age

Preretirement mortality rates were based on the Pub-2010 Healthy Teacher’s (TPAF), and “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational improvement projections from the central year using the Scale MP-2019. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational improvement projections from the central year using the Scale MP-2019.

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

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate - The discount rate for June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in the Total Nonemployer OPEB Liability

The table below summarizes the State's proportionate share of the change in the total nonemployer OPEB liability associated with the School District:

	Total OPEB Liability
Balance as of June 30, 2018	\$ 19,732,133
Changes for the years'	
Service Cost	750,439
Interest	782,389
Changes of benefit terms	
Differences between expected and actual experience	(2,978,935)
Changes in assumptions	268,649
Gross Benefit Payments	(553,098)
Contributions from the Non-employer	N/A
Contributions from the Member	16,395
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (1,714,161)
Balance at 06/30/2019	\$ 18,017,972

Sensitivity of the total nonemployer OPEB liability to changes in the discount rate - The following presents the total nonemployer OPEB liability as of June 30, 2019, respectively, associated with the School District, 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 1percentage-point higher than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 21,286,345	\$ 18,017,972	\$ 15,421,756

Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate - The following presents the total nonemployer OPEB liability as of June 30, 2019, associated with the School District, 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 1percentage-point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 21,867,654	\$ 18,017,972	\$ 14,612,561

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2020, the School District recognized \$468,421 in OPEB expense and revenue, in the government-wide financial statements, for the State’s proportionate share of the OPEB Plan’s OPEB Expense, associated with the School District. This expense and revenue was based on the OPEB Plan’s June 30, 2019 measurement date.

In accordance with GASBS No. 75, the School District’s proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2020, the State’s proportionate share of the total nonemployer OPEB liability’s deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and		
actual experiences	\$ -	\$ 4,527,246
Changes of assumptions	-	3,662,193
Total	\$ -	\$ 8,189,439

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State’s proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2020	\$ (1,099,551)
2021	(1,099,551)
2022	(1,099,551)
2023	(1,099,551)
2024	(1,099,551)
Therafter	(2,691,684)
Total	\$ (8,189,439)

Detailed information about the pension plan’s sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2020, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$1,079,219, \$400,370, and \$1,324, respectively. In addition, \$366,570 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

12. 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; employee health and accident claims; and natural disasters.

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 is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG). Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report.

Annual contributions to the Fund are determined by the Fund’s Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund’s Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

The Fund publishes its own financial report which can be obtained at www.njsbaig.com.

New Jersey Unemployment Compensation Insurance - Effective January 1, 2015, The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "benefit reimbursement method" in lieu of the “contributory method”. Under this plan, the District is required to maintain a trust fund and reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current year:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ 10,545	\$ 39	\$ 42	\$ 2,374	\$ 17,560
2018-2019	10,328	6,412	3	17,905	9,308
2017-2018	10,774	394	1	1,687	10,470

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

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 amounts of vacation and sick leave in accordance with the School District's personnel policy. Upon termination, employees are paid for accrued vacation. The School District's policy permits employees to accumulated 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 the School District's agreements with the various employee unions.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2020, the liability for compensated absences in the governmental activities fund types was \$83,135.

15. INTERFUND BALANCES AND TRANSFERS

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2021. The following interfund balances were recorded on the various balance sheets as of June 30, 2020:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 359,876	\$ -
Special Revenue	-	50,790
Capital Projects	-	191,950
Fiduciary Fund	-	117,136
	\$ 359,876	\$ 359,876

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2020, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), 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.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

17. TAX ABATEMENTS (CONTINUED)

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.

The Borough of Barrington (Municipality) provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Municipality are for affordable housing and other permitted purposes. Taxes abated include municipal, local school, and county taxes.

The municipality recognized revenue of \$91,968 from the annual service charge in lieu of payment of taxes in 2019. The assessed value on these tax exemption properties amounted to \$22,326,900 which would have resulted in 2019 taxes billed in full of \$978,141. A portion of the \$886,173 abatement would have been allocated to the District.

18. FLEXIBLE BENEFITS PROGRAM

The School District offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses and other medical expenses not covered by other insurance. The School District, who is the plan administrator, has contracted with a third party to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to the third party for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the School District.

The following is a summary of School District contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance of the School District's fiduciary fund for the current and prior two years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020	\$ -	\$ 411	\$ 5,738	\$ 1,257
2019	-	15,940	12,611	6,584
2018	-	12,960	9,852	3,255

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

20. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2020, a deficit of \$2,511,648 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2020	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ 3,537
Liabilities:	
Accrued Interest Payable	(34,200)
Bond Issuance Premiums	(155,813)
Net Pension Differences	(2,242,037)
Compensated Absences	<u>(83,135)</u>
Unrestricted Net Position (Deficit)	<u>\$ (2,511,648)</u>

21. FUND BALANCES

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District’s fund balance are summarized as follows:

General Fund:

Tuition Reserve – In accordance with N.J.A.C. 6A:23-3.1(f)(8), the School District has restricted fund balance at June 30, 2020 in the amount of \$690,000 for tuition adjustments. This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated cost of the respective contract year. \$340,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2021 and \$350,000 is reserved for use in the June 30, 2022 year.

Capital Reserve – As of June 30, 2020, the balance in the capital reserve account is \$1,137,180. Of this amount, \$375,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2020. The remaining amount is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan.

Maintenance Reserve Account – As of June 30, 2020, the balance in the maintenance reserve account is \$321,645. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Emergency Reserve – As of June 30, 2020, the balance in the emergency reserve is \$135,791. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). Of this amount, \$67,514 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2021 due to a reduction in State Aid for 2020-2021.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

21. FUND BALANCES (Continued)

ASSIGNED

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund:

Designated for Subsequent Year's Expenditures – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2020, \$229,034 of general fund balance.

Other Purposes – At June 30, 2020 the School District has \$89,013 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund – As of June 30, 2020, the unassigned fund balance of the general fund was \$3,537.

22. SUBSEQUENT EVENTS

COVID-19 - the management of the School District has evaluated its financial statements for subsequent events through the date that the financial statements were issued. As a result of the spread of the COVID-19 coronavirus in New Jersey, economic uncertainties have arisen which could negatively impact the financial position of the School District. While the impact that COVID-19 will have is currently expected to be temporary, as of the date of the financial statements, the related financial impact and duration cannot be reasonably estimated.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local Tax Levy	\$ 10,512,761	\$ -	\$ 10,512,761	\$ 10,512,761	\$ -
Tuition from Individuals	15,000		15,000	6,950	(8,050)
Tuition from other LEA's (within state)	50,000		50,000		(50,000)
Interest earned on Emergency Reserve	14		14	598	584
Interest earned on Maintenance Reserve	28		28	1,417	1,389
Interest earned on Capital Reserve	51		51	2,524	2,473
Unrestricted miscellaneous revenues	250		250	9,958	9,708
Total local sources	10,578,104		10,578,104	10,534,208	(43,896)
State sources:					
Categorical Special Education Aid	557,456		557,456	557,456	
Equalization Aid	2,748,935		2,748,935	2,748,935	
Security Aid	81,247		81,247	81,247	
Transportation Aid	75,087		75,087	75,087	
Extraordinary Aid				68,654	68,654
Nonpublic Transportation Aid				528	528
On-behalf TPAF pension contrib.. (non-budgeted)				1,079,219	1,079,219
On-behalf Post Retirement Medical (non-budgeted)				400,370	400,370
On-behalf Long Term Disability Insurance (non-budgeted)				1,324	1,324
Reimbursed TPAF social security contribution (non-budgeted)				366,570	366,570
Total state sources	3,462,725		3,462,725	5,379,390	1,916,665
TOTAL REVENUES	14,040,829		14,040,829	15,913,598	1,872,769
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	317,859	23,750	341,609	341,609	
Grades 1-5	1,370,397	(27,328)	1,343,069	1,280,549	62,520
Grades 6-8	1,043,161	11,892	1,055,053	1,047,123	7,930
Regular Programs - Home Instruction:					
Salaries of teachers	2,000	1,188	3,188	2,208	980
Regular Programs - Undistributed Instruction:					
Other salaries for instruction					
Purchased professional - educational services	83,660	(787)	82,873	78,801	4,072
Purchased technical services	15,000	629	15,629	13,372	2,257
Other purchased services	1,500		1,500	696	804
General supplies	135,393	(60,507)	74,886	61,991	12,895
Textbooks	33,463	9,969	43,432	37,556	5,876
Other objects	1,940	(10)	1,930	1,188	742
Total - Regular Programs - Instruction	3,004,373	(41,204)	2,963,169	2,865,093	98,076

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of teachers	\$ 184,721	\$ (59,903)	\$ 124,818	\$ 124,818	\$ -
Other salaries for instruction	72,225	109,834	182,059	182,059	
General supplies	1,000		1,000	405	595
<u>Total multiple disabilities</u>	<u>257,946</u>	<u>49,931</u>	<u>307,877</u>	<u>307,282</u>	<u>595</u>
Resource room/resource center:					
Salaries of teachers	871,254	131,353	1,002,607	999,774	2,833
Other salaries for instruction	69,253	(7,375)	61,878	51,285	10,593
General supplies	9,000	396	9,396	4,824	4,572
Textbooks	2,000	(1,955)	45	-	45
<u>Total resource room/resource center</u>	<u>951,507</u>	<u>122,419</u>	<u>1,073,926</u>	<u>1,055,883</u>	<u>18,043</u>
Preschool disabilities - part time:					
Salaries of teachers	74,026	7,753	81,779	75,584	6,195
Other salaries for instruction	53,074		53,074	52,039	1,035
General supplies	1,000		1,000		1,000
<u>Total preschool disabilities - part time</u>	<u>128,100</u>	<u>7,753</u>	<u>135,853</u>	<u>127,623</u>	<u>8,230</u>
<u>Total Special Education - Instruction</u>	<u>1,337,553</u>	<u>180,103</u>	<u>1,517,656</u>	<u>1,490,788</u>	<u>26,868</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	243,779	(14,961)	228,818	59,755	169,063
General supplies	3,000		3,000	2,588	412
<u>Total basic skills/remedial - instruction</u>	<u>246,779</u>	<u>(14,961)</u>	<u>231,818</u>	<u>62,343</u>	<u>169,475</u>
School Sponsored Cocurricular Activities - Instruc.					
Salaries	9,500	14,961	24,461	22,711	1,750
School Sponsored Athletics - Instruc.					
Salaries	14,500	1,046	15,546	15,546	
Purchased services	4,000	(1,046)	2,954	2,881	73
Supplies and Materials	1,000	1,882	2,882	1,568	1,314
Other objects	3,700	(1,882)	1,818	1,801	17
<u>Total school sponsored athletics - instruc</u>	<u>23,200</u>	<u></u>	<u>23,200</u>	<u>21,796</u>	<u>1,404</u>
<u>Total Instruction</u>	<u>4,621,405</u>	<u>138,899</u>	<u>4,760,304</u>	<u>4,462,731</u>	<u>297,573</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - reg.	\$ 3,247,255	\$ 16,701	\$ 3,263,956	\$ 3,260,641	\$ 3,315
Tuition to other LEAs within the state - spec	468,204	(22,693)	445,511	418,006	27,505
Tuition to County Voc. School Districts - reg.	15,000	2,996	17,996	16,498	1,498
Tuition to County Voc. School Districts - spec.	15,000	2,996	17,996	16,498	1,498
Tuition to CSSD & Reg. Day Schools					
Tuition to priv. sch. for the disabled in state	492,467	(21,600)	470,867	258,885	211,982
Tuition - other	12,000	21,600	33,600	22,800	10,800
Total undistributed expenditures - instruction	<u>4,249,926</u>		<u>4,249,926</u>	<u>3,993,328</u>	<u>256,598</u>
Attendance and Social Work Services:					
Salaries	51,876		51,876	17,711	34,165
Total attendance and social work services	<u>51,876</u>		<u>51,876</u>	<u>17,711</u>	<u>34,165</u>
Health Services:					
Salaries	136,261	54,855	191,116	134,518	56,598
Purchased professional and technical services	10,000	6,667	16,667	14,782	1,885
Other purchased services	600	(42)	558	404	154
Supplies and materials	6,000	(2,063)	3,937	3,936	1
Other objects	5,250	(4,891)	359		359
Total health services	<u>158,111</u>	<u>54,526</u>	<u>212,637</u>	<u>153,640</u>	<u>58,997</u>
Speech, OT, PT & Related Services:					
Salaries	161,110	(2,821)	158,289	157,289	1,000
Purchased professional - educational services	20,000	38,975	58,975	49,062	9,913
Supplies and materials	1,000	(1,000)			
Total speech, ot, pt & related services	<u>182,110</u>	<u>35,154</u>	<u>217,264</u>	<u>206,351</u>	<u>10,913</u>
Other Support Services Student - Extra. Serv.					
Salaries	118,628	(106,260)	12,368	12,368	
Purchased professional - educational services	220,000	(45,106)	174,894	174,894	
Supplies and materials	1,000	(963)	37		37
Total other support services student - extra. serv.	<u>339,628</u>	<u>(152,329)</u>	<u>187,299</u>	<u>187,262</u>	<u>37</u>
Guidance:					
Salaries of other professional staff	138,961	(54,966)	83,995	76,303	7,692
Supplies and materials	1,000		1,000	268	732
Total guidance	<u>139,961</u>	<u>(54,966)</u>	<u>84,995</u>	<u>76,571</u>	<u>8,424</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Child Study Teams:					
Salaries of other professional staff	\$ 349,739	\$ (19,147)	\$ 330,592	\$ 304,621	\$ 25,971
Salaries of secretarial and clerical assistants	47,858	1,216	49,074	49,074	
Purchased professional - educational services	20,400		20,400	15,400	5,000
Other purchased services	4,000		4,000	1,253	2,747
Supplies and materials	10,000		10,000	3,244	6,756
Other objects	5,000		5,000	177	4,823
Total child study teams	436,997	(17,931)	419,066	373,769	45,297
Improvement of Instructional Services:					
Salaries of supervisors of instruction	98,802		98,802	98,802	
Other purchased services	200		200		200
Total improvement of instructional services	99,002		99,002	98,802	200
Educational Media Services/School Library:					
Salaries	60,198		60,198		60,198
Purchased professional and technical services	4,200		4,200	2,263	1,937
Supplies and materials	1,000		1,000	288	712
Total educational media services/school library	65,398		65,398	2,551	62,847
Instructional Staff Training Services:					
Purchased professional - educational services	5,501		5,501		5,501
Other purchased services	19,555	(3,856)	15,699	7,013	8,686
Supplies and materials	1,000	2,726	3,726	997	2,729
Total instructional staff training services	26,056	(1,130)	24,926	8,010	16,916
General Administration:					
Salaries	165,973	5,032	171,005	171,005	
Legal services	15,000	(6,057)	8,943	3,368	5,575
Audit fees	25,500		25,500	25,500	
Architectural/Engineering Services	4,500	5,525	10,025	9,061	964
Purchased technical services	4,500	(4,500)			
Communications / telephone	42,000		42,000	40,762	1,238
BOE other purchased services	1,000		1,000	256	744
Other purchased services	11,000		11,000	7,588	3,412
Supplies and materials	2,000	1,130	3,130	56	3,074
BOE In-House Training/Meeting supplies	1,000		1,000		1,000
Miscellaneous expenditures	6,000	(1,319)	4,681	3,067	1,614
BOE membership dues and fees	8,000		8,000	6,964	1,036
Total general administration	286,473	(189)	286,284	267,627	18,657

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School Administration:					
Salaries of principals/assist. principals	\$ 110,017	\$ 1,319	\$ 111,336	\$ 111,336	\$ -
Salaries of secretarial and clerical assistants	51,876	31,680	83,556	83,556	
Other purchased services	1,100		1,100	732	368
Supplies and materials	13,736	(2,007)	11,729	10,999	730
Other objects	3,500	(1,824)	1,676	190	1,486
Total school administration	180,229	29,168	209,397	206,813	2,584
Central Services:					
Salaries	140,406	(8,698)	131,708	126,988	4,720
Purchased technical services	20,200	15,454	35,654	31,263	4,391
Misc. purchased services	2,500	(415)	2,085	1,905	180
Supplies and materials	6,500	(4,045)	2,455	2,455	
Other objects	3,200	1,352	4,552	4,281	271
Total central services	172,806	3,648	176,454	166,892	9,562
Administrative Information Technology:					
Salaries	80,844	9,981	90,825	90,825	
Purchased technical services	62,288	25,036	87,324	76,185	11,139
Other purchased services	1,000	(985)	15		15
Supplies and materials	31,051	(21,649)	9,402	4,430	4,972
Total admin. information technology	175,183	12,383	187,566	171,440	16,126
Required Maintenance School Facilities:					
Salaries	79,908	(72,123)	7,785	7,785	
Cleaning, repair and maintenance services	103,647	7,594	111,241	64,001	47,240
General supplies	26,000	12,964	38,964	38,964	
Total required maintenance school facilities	209,555	(51,565)	157,990	110,750	47,240
Custodial Services:					
Salaries	259,041	83,753	342,794	339,947	2,847
Salaries of Non-Instructional Aides	44,893	46,561	91,454	91,454	
Unused vacation payment to term/retired staff					
Purchased prof. and technical services	9,000	(4,029)	4,971	1,345	3,626
Cleaning, repair and maintenance services	11,000	275	11,275	11,275	
Other purchased property services	20,000		20,000	16,822	3,178
Insurance	75,500		75,500	74,889	611
General Supplies	25,000		25,000	21,599	3,401
Energy (Electricity)	100,000	(7,195)	92,805	76,827	15,978
Energy (Gasoline)	1,500		1,500	786	714
Energy (Natural Gas)	100,000		100,000	76,154	23,846
Total custodial services	645,934	119,365	765,299	711,098	54,201
Care and Upkeep of Grounds:					
Purchased prof. and technical services	15,000		15,000	14,460	540
Cleaning, repair and maintenance services	2,000		2,000		2,000
General Supplies	1,000		1,000		1,000
Total care and upkeep of grounds	18,000		18,000	14,460	3,540
Security:					
Salaries	80,000	(80,000)			
Purchased prof. and technical services	7,983		7,983	2,338	5,645
Total security	87,983	(80,000)	7,983	2,338	5,645
Total operation & maint. of plant services	961,472	(12,200)	949,272	838,646	110,626

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Student Transportation Services:					
Management fee - ESC Transp. programs	\$ 7,000	\$ -	\$ 7,000	\$ 3,795	\$ 3,205
Contr. serv. (between home & sch) - vendor	286,000		286,000	281,335	4,665
Contr. serv. (not between home & sch) - vendor	15,700		15,700	9,618	6,082
Contr. Serv. (Regular Students) - ESC	80,000	(31,680)	48,320	24,420	23,900
Contr. Serv. (Spl. Ed. Students) - ESC	90,000		90,000	36,567	53,433
Contr. Serv. - Aid in Lieu of Payments - nonpublic	25,000		25,000	20,033	4,967
Contr. Serv. - Aid in Lieu of Payments - charter sch	884		884		884
Contr. Serv. - Aid in Lieu of Payments - choice sch	4,420		4,420	3,308	1,112
Total student transportation services	<u>509,004</u>	<u>(31,680)</u>	<u>477,324</u>	<u>379,076</u>	<u>98,248</u>
Unallocated Benefits - Employee Benefits:					
Social security contributions	100,000	(7,993)	92,007	88,728	3,279
Other retirement contributions - PERS	100,000	33,651	133,651	108,821	24,830
Unemployment compensation	29,000	(25,027)	3,973		3,973
Workmen's compensation	80,000	(602)	79,398	69,224	10,174
Health benefits	1,519,000	(50,045)	1,468,955	1,385,256	83,699
Tuition reimbursement	25,000	1,080	26,080	26,080	
Unused Sick Payment to Term/Retired Staff	8,000	(8,000)			
Other employee benefits	89,582	53,583	143,165	142,176	989
Total unallocated benefits - employee benefits	<u>1,950,582</u>	<u>(3,353)</u>	<u>1,947,229</u>	<u>1,820,285</u>	<u>126,944</u>
On-behalf TPAF pension contr. (non-budgeted)				1,079,219	(1,079,219)
On-behalf Post Retirement Medical (non-budgeted)				400,370	(400,370)
On-behalf Long Term Disability Insurance (non-budgeted)				1,324	(1,324)
Reimbursed TPAF social security contr. (non-budgeted)				366,570	(366,570)
Total Undistributed Expenditures	<u>9,984,814</u>	<u>(138,899)</u>	<u>9,845,915</u>	<u>10,816,257</u>	<u>(970,342)</u>
Total General Current Expense	<u>14,606,219</u>		<u>14,606,219</u>	<u>15,278,988</u>	<u>(672,769)</u>
CAPITAL OUTLAY:					
Undistributed Expend. - Req. Maint. for School Fac.	25,000		25,000	24,170	830
Facilities Acquisition and Constr. Services:					
Architectural/engineering Services					
Construction Services	401,902		401,902	350,248	51,654
Assessment for Debt Service on SDA Funding	21,123		21,123	21,123	
Total facilities acq. and constr. services	<u>423,025</u>		<u>423,025</u>	<u>371,371</u>	<u>51,654</u>
Total Capital Outlay	<u>448,025</u>		<u>448,025</u>	<u>395,541</u>	<u>52,484</u>
Transfer to Charter Schools					
TOTAL EXPENDITURES	<u>15,054,244</u>		<u>15,054,244</u>	<u>15,674,529</u>	<u>(620,285)</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures:	<u>(1,013,415)</u>		<u>(1,013,415)</u>	<u>239,069</u>	<u>1,252,484</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources:					
Proceeds of Capital Lease	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(1,013,415)	-	(1,013,415)	239,069	1,252,484
Fund Balance - July 1, 2019	<u>2,708,484</u>		<u>2,708,484</u>	<u>2,708,484</u>	
Fund Balance - June 30, 2020	<u>\$ 1,695,069</u>	<u>\$ -</u>	<u>\$ 1,695,069</u>	<u>\$ 2,947,553</u>	<u>\$ 1,252,484</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital reserve				\$ 1,137,180	
Tuition reserve - current year				350,000	
Tuition reserve - prior year				340,000	
Maintenance reserve				321,645	
Emergency reserve				135,791	
Assigned Fund Balance:					
Reserve for encumbrances				89,013	
Designated for subsequent year's expenditures				229,034	
Unassigned Fund Balance				<u>344,890</u>	
				2,947,553	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(341,353)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 2,606,200</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**BARRINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2020**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
State sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	438,395	(3,131)	435,264	357,477	(77,787)
Total Revenues	<u>438,395</u>	<u>(3,131)</u>	<u>435,264</u>	<u>357,477</u>	<u>(77,787)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	121,557	(44,862)	76,695	76,445	250
Purchased professional - educ. services	5,000	3,910	8,910	3,909	5,001
Purchased professional - tech. services	-	5,182	5,182	4,945	237
Tuition	188,800	16,094	204,894	204,894	-
Other purchased services	-	-	-	-	-
Textbooks	-	-	-	-	-
General supplies	38,308	1,978	40,286	29,848	10,438
Total Instruction	<u>353,665</u>	<u>(17,698)</u>	<u>335,967</u>	<u>320,041</u>	<u>15,926</u>
Support Services:					
Salaries of other professional staff	-	-	-	-	-
Personal services - employee benefits	23,667	2,168	25,835	25,835	-
Purchased professional - tech. services	-	5,000	5,000	5,000	-
Other Purchased Service	-	4,399	4,399	3,399	1,000
Supplies and Materials	61,063	3,000	64,063	3,202	60,861
Total Support Services	<u>84,730</u>	<u>14,567</u>	<u>99,297</u>	<u>37,436</u>	<u>61,861</u>
Facilities Acquisition and Construction Services:					
Instructional equipment	-	-	-	-	-
Total Facilities Acq. and Const. Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>438,395</u>	<u>(3,131)</u>	<u>435,264</u>	<u>357,477</u>	<u>77,787</u>
Total Outflows	<u>438,395</u>	<u>(3,131)</u>	<u>435,264</u>	<u>357,477</u>	<u>77,787</u>
Excess (Deficiency) of Revenues over (under) Expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BARRINGTON SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
For the Fiscal Year Ended June 30, 2020

**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 schedules	\$ 15,913,598	\$ 357,477
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	334,374	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(341,353)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 15,906,619</u>	<u>\$ 357,477</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 15,674,529	\$ 357,477
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 15,674,529</u>	<u>\$ 357,477</u>

Required Supplementary Information - Part III
Schedules Related to Accounting and Reporting
For Pensions and
Other Post Employment Benefits

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Seven Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0104385147%	0.0098876327%	0.0099548442%	0.0101209416%	0.0097681625%	0.0093361653%	0.0090908901%
District's proportionate share of the net pension liability (asset)	\$ 1,880,862	\$ 1,946,826	\$ 2,317,329	\$ 2,997,553	\$ 2,192,757	\$ 1,747,985	\$ 1,737,450
District's covered-employee payroll	768,491	734,101	737,221	696,643	674,631	666,509	648,986
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	244.75%	265.20%	314.33%	430.29%	325.03%	262.26%	267.72%
Plan fiduciary net position as a percentage of the total pension liability	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

This schedule does not contain ten years of information as GASB 68 was implemented during this fiscal year ended June 30, 2015.

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Public Employees Retirement System
Last Seven Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 112,730	\$ 101,614	\$ 98,350	\$ 92,221	\$ 89,913	\$ 83,980	\$ 76,966
Contributions in relation to the contractually required contributions	<u>(112,730)</u>	<u>(101,614)</u>	<u>(98,350)</u>	<u>(92,221)</u>	<u>(89,913)</u>	<u>(83,980)</u>	<u>(76,966)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 768,491	\$ 734,101	\$ 737,221	\$ 696,643	\$ 674,631	\$ 666,509	\$ 648,986
Contributions as a percentage of covered-employee payroll	14.67%	13.84%	13.34%	13.24%	13.33%	12.60%	11.86%

This schedule does not contain ten years of information as GASB 68 was implemented during this fiscal year ended June 30, 2015.

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Six Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability (asset)	0.0456007786%	0.0448336774%	0.0449331258%	0.0430353966%	0.0398964849%	0.0394278417%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 27,985,628	\$ 28,522,223	\$ 30,295,534	\$ 33,854,383	\$ 25,216,282	\$ 21,072,898
Total	\$ 27,985,628	\$ 28,522,223	\$ 30,295,534	\$ 33,854,383	\$ 25,216,282	\$ 21,072,898
District's covered-employee payroll	\$ 5,078,686	\$ 5,086,514	\$ 5,100,498	\$ 4,728,854	\$ 4,602,687	\$ 4,503,664
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

This schedule does not contain ten years of information as GASB 68 was implemented during this fiscal year ended June 30, 2015.

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
and Changes in the Total OPEB Liability and Related Ratios
Public Employee's Retirement System and Teachers' Pension and Annuity Fund
Last Three Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.04%	0.04%	0.04%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 18,017,972	\$ 19,732,133	\$ 22,881,868
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 18,017,972</u>	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%
	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability			
Service Cost	\$ 750,439	\$ 815,736	\$ 986,693
Interest	782,389	839,336	725,673
Difference between expected and actual experiences	(2,978,935)	(2,031,052)	
Changes of assumptions and other inputs	268,649	(2,264,361)	(3,048,997)
Member Contributions	16,395	18,236	19,516
Benefit payments	<u>(553,098)</u>	<u>(527,630)</u>	<u>(529,993)</u>
Net Change in total OPEB Liability	\$ (1,714,161)	\$ (3,149,735)	\$ (1,847,108)
Total OPEB Liability - beginning	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>	<u>\$ 24,728,976</u>
Total OPEB Liability - ending	<u>\$ 18,017,972</u>	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>
District's covered-employee payroll	5,847,177	5,820,615	5,837,719
Total OPEB Liability as a percentage of covered-employee payroll	308.15%	339.00%	391.97%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

Barrington School District
Notes to Required Supplementary Information – Part III
For the Fiscal Year Ended June 30, 2020

Teacher’s Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed to 5.60% as of June 30, 2019 from 4.86% as of June 30, 2018 and the long-term rate of return remained at 7.00%.

Public Employees’ Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed to 6.28% as of June 30, 2019 from 5.66% as of June 30, 2018 and the long-term rate of return remained at 7.00%.

Other Post-Retirement Plan – Public Employees’ Retirement System and Teachers’ Pension and Annuity Fund

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed to 3.50% as of June 30, 2019 from 3.87% as of June 30, 2018.

Other Supplementary Information

Special Revenue Fund

BARRINGTON SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year ended June 30, 2020

	Individuals with Disabilities Act		No Child Left Behind			CARES Act	Total
	Basic	Preschool	Title I	Title II A	Title IV		
REVENUES:							
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	204,894	8,363	113,358	17,713	12,947	202	357,477
Total revenues	<u>204,894</u>	<u>8,363</u>	<u>113,358</u>	<u>17,713</u>	<u>12,947</u>	<u>202</u>	<u>357,477</u>
EXPENDITURES:							
<u>Instruction:</u>							
Salaries of teachers		6,195	68,500		1,750		76,445
Purchased professional educational services			3,909				3,909
Purchased professional technical services					4,945		4,945
Tuition	204,894						204,894
Other purchased services							-
Textbooks							-
General Supplies			17,282	11,314	1,252		29,848
Total instruction	<u>204,894</u>	<u>6,195</u>	<u>89,691</u>	<u>11,314</u>	<u>7,947</u>	<u>-</u>	<u>320,041</u>
<u>Support services:</u>							
Personal services-employee benefits		2,168	23,667				25,835
Purchased professional technical services					5,000		5,000
Other purchased services				3,399			3,399
General Supplies				3,000		202	3,202
Total support services	<u>-</u>	<u>2,168</u>	<u>23,667</u>	<u>6,399</u>	<u>5,000</u>	<u>202</u>	<u>37,436</u>
<u>Facilities acquisition & construction services</u>							
Instructional equipment							-
Noninstructional equipment							-
Total facilities acquisition & construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>204,894</u>	<u>8,363</u>	<u>113,358</u>	<u>17,713</u>	<u>12,947</u>	<u>202</u>	<u>357,477</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Proprietary Funds

BARRINGTON SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Position
June 30, 2020

	<u>Food Service Fund</u>
ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 10,018
Accounts receivable:	
State	552
Federal	9,940
Inventories	<u>7,148</u>
Total Current Assets	<u>27,658</u>
Noncurrent Assets:	
Equipment	85,889
Less - accumulated depreciation	<u>(59,175)</u>
Total Noncurrent Assets	<u>26,714</u>
Total Assets	<u>\$ 54,372</u>
 LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$ 3,740
Unearned Revenue	<u>6,645</u>
Total Current Liabilities	<u>10,385</u>
 NET POSITION:	
Invested in capital assets	26,714
Unrestricted	<u>17,273</u>
Total Net Position	<u>\$ 43,987</u>

BARRINGTON SCHOOL DISTRICT
Enterprise Funds
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2020

	<u>Food Service Fund</u>
OPERATING REVENUES:	
Charges for Services:	
Daily sales reimbursable programs:	
School lunch	\$ 36,440
School breakfast	2,120
Daily sales non-reimbursable programs	
Adult and a la carte sales	31,278
Miscellaneous	6,316
	<u>76,154</u>
Total Operating Revenues	<u>76,154</u>
OPERATING EXPENSES:	
Salaries	82,805
Employee benefits	15,097
Supplies and materials	4,444
Management fee	21,795
Other costs	12,879
Depreciation	2,539
Cost of Sales - reimbursable programs	42,743
Cost of Sales - non-reimbursable programs	13,163
	<u>195,465</u>
Total Operating Expenses	<u>195,465</u>
Operating Income (Loss)	<u>(119,311)</u>
Non-Operating Revenues:	
State sources:	
State school lunch program	1,994
Federal sources:	
National school lunch program	60,792
School breakfast program	20,723
Food distribution program	11,206
Local sources:	
Interest earned	176
	<u>94,891</u>
Total Non-Operating Revenues	<u>94,891</u>
Income (Loss) before Contributions and Transfers	(24,420)
Operating Transfers In	<u> </u>
Change in Net Position	(24,420)
Net Position - July 1, 2019	<u>68,407</u>
Net Position - June 30, 2020	<u>\$ 43,987</u>

BARRINGTON SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2020

	Food Service Fund
Cash Flows from Operating Activities:	
Cash receipts from customers	\$ 79,664
Cash payments to employees for services	(94,348)
Cash payments to suppliers for goods and services	(83,445)
	-
Net cash provided by (used for) operating activities	(98,129)
Cash Flows from Noncapital Financing Activities:	
Cash received from state sources	1,545
Cash received from federal sources	75,961
	77,506
Net cash provided by noncapital financing activities	77,506
Cash Flows Used by Capital and Related Financing Activities:	
Capital asset adjustment from prior year	-
	-
Cash Flow Provided by Investing Activities:	
Interest on cash equivalents	176
	176
Net increase (decrease) in cash and cash equivalents	(20,447)
Cash and Cash Equivalents - July 1, 2019	30,465
	30,465
Cash and Cash Equivalents - June 30, 2020	\$ 10,018
	\$ 10,018
Reconciliation of Operating Income (Loss) to Net Cash provided by (used for)	
Operating Activities:	
Operating income (loss)	\$ (119,311)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	2,539
Commodities	11,206
Change in assets and liabilities:	
(Increase) decrease in inventories	187
Increase (decrease) in accounts payable	3,740
Increase (decrease) in unearned revenue	3,510
	3,510
Net cash provided by (used for) operating activities	\$ (98,129)

Fiduciary Funds

BARRINGTON SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2020

	<u>Trust Funds</u>		<u>Agency Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Flexible Benefits Trust</u>	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:					
Cash and Cash Equivalents	\$ 19,644	\$ 2,682	\$ 11,310	\$ 115,711	\$ 149,347
Other Receivable	-	-	-	-	-
Total Assets	<u>\$ 19,644</u>	<u>\$ 2,682</u>	<u>\$ 11,310</u>	<u>\$ 115,711</u>	<u>\$ 149,347</u>
LIABILITIES:					
Liabilities:					
Interfund Payable	\$ -	\$ 1,425	\$ -	\$ 115,711	\$ 117,136
Accounts Payable	2,084				2,084
Due to Student Groups	-	-	11,310	-	11,310
Total Liabilities	<u>2,084</u>	<u>1,425</u>	<u>\$ 11,310</u>	<u>\$ 115,711</u>	<u>130,530</u>
NET POSITION:					
Held in Trust for Payment of Claims	<u>17,560</u>	<u>1,257</u>			<u>18,817</u>
Total Net Position	<u>\$ 17,560</u>	<u>\$ 1,257</u>			<u>\$ 18,817</u>

BARRINGTON SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2020

	Unemployment Compensation Trust Fund	Flexible Benefits Trust Fund
	<u> </u>	<u> </u>
ADDITIONS:		
Contributions - Employee	\$ 10,584	\$ 393
Contributions - Other	-	-
Interest on Investments	42	18
	<u> </u>	<u> </u>
Total Additions	10,626	411
	<u> </u>	<u> </u>
DEDUCTIONS:		
Claims paid	2,345	5,711
Miscellaneous	29	27
	<u> </u>	<u> </u>
Total Deductions	2,374	5,738
	<u> </u>	<u> </u>
Change in Net Position	8,252	(5,327)
Net Position-- July 1, 2019	9,308	6,584
	<u> </u>	<u> </u>
Net Position -- June 30, 2020	<u>\$ 17,560</u>	<u>\$ 1,257</u>

BARRINGTON SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
for the Fiscal Year ended June 30, 2020

	<u>Balance July 1, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Accounts Payable</u>	<u>Balance June 30, 2020</u>
Avon School	\$ 10,033	\$ 7,851	\$ 10,192	\$ -	\$ 7,692
Woodland School	<u>4,757</u>	<u>17,017</u>	<u>18,156</u>	<u></u>	<u>3,618</u>
Total all schools	<u>\$ 14,790</u>	<u>\$ 24,868</u>	<u>\$ 28,348</u>	<u>\$ -</u>	<u>\$ 11,310</u>

BARRINGTON SCHOOL DISTRICT
Fiduciary Funds
Payroll Agency Fund Schedule of Receipts and Disbursements
for the Fiscal Year ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
ASSETS:				
Cash and cash equivalents	\$ 117,150	\$ 7,018,832	\$ 7,020,271	\$ 115,711
Accounts Receivable	239		239	-
Total Assets	<u>\$ 117,389</u>	<u>\$ 7,018,832</u>	<u>\$ 7,020,510</u>	<u>\$ 115,711</u>
 LIABILITIES:				
Net payroll	\$ -	\$ 3,714,864	\$ 3,714,864	\$ -
Interfund Payable	117,389	117,629	119,307	115,711
Payroll deductions and withholdings	-	3,186,339	3,186,339	-
Total Liabilities	<u>\$ 117,389</u>	<u>\$ 7,018,832</u>	<u>\$ 7,020,510</u>	<u>\$ 115,711</u>

Long-Term Debt Schedules

BARRINGTON SCHOOL DISTRICT
Statement of Serial Bonds
For the Fiscal Year Ended June 30, 2020

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2019	Issued	Retired	Balance June 30, 2020
			Date	Amount					
Series 2012 Refunding Bonds	12/19/12	\$ 5,030,000	4/01/21	\$ 315,000	4.000%	\$ 3,715,000	\$ -	\$ 295,000	\$ 3,420,000
			4/01/22	325,000	4.000%				
			4/01/23	345,000	4.000%				
			4/01/24	370,000	4.000%				
			4/01/25	385,000	4.000%				
			4/01/26	405,000	4.000%				
			4/01/27	425,000	4.000%				
			4/01/28	425,000	4.000%				
			4/01/29	425,000	4.000%				
					<u>\$ 3,715,000</u>	<u>\$ -</u>	<u>\$ 295,000</u>	<u>\$ 3,420,000</u>	

BARRINGTON SCHOOL DISTRICT
Statement of Obligations Under Capital Leases
For the Fiscal Year Ended June 30, 2020

Series	Date of Lease	Maturity Date	Interest Rate	Amount of Original Issue		Amount Outstanding July 1, 2019	Issued	Retired	Amount Outstanding June 30, 2020
				Principal	Interest				
Phone System	12/21/15	07/01/20	4.02%	\$ 50,616	\$ 5,262	\$ 21,070	\$ -	\$ 10,327	\$ 10,743
						<u>\$ 21,070</u>	<u>\$ -</u>	<u>\$ 10,327</u>	<u>\$ 10,743</u>

BARRINGTON SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 443,600	\$ -	\$ 443,600	\$ 443,600	\$ -
Total Revenues	443,600	-	443,600	443,600	-
EXPENDITURES:					
Regular debt service:					
Interest on Bonds	148,600	-	148,600	148,600	-
Principal on Bonds	295,000	-	295,000	295,000	-
Total Expenditures	443,600	-	443,600	443,600	-
Excess (Deficiency) of revenues over (under) expenditures	-	-	-	-	-
Other Financing Sources:					
Transfers from other funds	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	-	-	-	-	-
Fund Balance - July 1, 2019	-	-	-	-	-
Fund Balance - June 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -

Statistical Section

Barrington School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

J-1

	Fiscal Year Ending June 30,									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities:										
Net investment in capital assets	\$ 3,498,016	\$ 3,082,076	\$ 3,106,894	\$ 3,042,304	\$ 998,793	\$ 690,191	\$ 421,969	\$ 201,685	\$ 480,998	\$ 399,071
Restricted for:										
Capital projects	381,021	520,226	313,731	314,071	234,024	437,275	836,652	992,190	945,655	1,137,180
Debt service	1,023	197	38,216	38,216	-	-	-	-	-	-
Special revenue	21,333	-	-	-	-	-	-	-	-	-
Other purposes	849,692	657,692	1,047,096	1,011,666	972,056	1,239,010	1,114,867	1,337,790	1,433,930	1,465,483
Unrestricted	(108,583)	(246,700)	(177,829)	(227,737)	(1,906,403)	(1,937,859)	(2,214,331)	(2,363,272)	(2,498,671)	(2,511,648)
Total governmental activities net position	<u>\$ 4,642,502</u>	<u>\$ 4,013,491</u>	<u>\$ 4,328,108</u>	<u>\$ 4,178,520</u>	<u>\$ 298,470</u>	<u>\$ 428,617</u>	<u>\$ 159,157</u>	<u>\$ 168,393</u>	<u>\$ 361,912</u>	<u>\$ 490,086</u>
Business-type activities:										
Net investment in capital assets	\$ 29,263	\$ 16,596	\$ 9,958	\$ 16,623	\$ 12,083	\$ 11,077	\$ 10,070	\$ 31,034	\$ 29,253	\$ 26,714
Unrestricted	64,874	67,642	69,098	46,761	61,602	46,981	59,384	47,700	39,154	17,273
Total business-type activities net position	<u>\$ 94,137</u>	<u>\$ 84,238</u>	<u>\$ 79,056</u>	<u>\$ 63,384</u>	<u>\$ 73,685</u>	<u>\$ 58,058</u>	<u>\$ 69,454</u>	<u>\$ 78,734</u>	<u>\$ 68,407</u>	<u>\$ 43,987</u>
District-wide:										
Net investment in capital assets	\$ 3,527,279	\$ 3,098,672	\$ 3,116,852	\$ 3,058,927	\$ 1,010,876	\$ 701,268	\$ 432,039	\$ 232,719	\$ 510,251	\$ 425,785
Restricted:										
Capital projects	381,021	520,226	313,731	314,071	234,024	437,275	836,652	992,190	945,655	1,137,180
Debt service	1,023	197	38,216	38,216	-	-	-	-	-	-
Special revenue	21,333	-	-	-	-	-	-	-	-	-
Other purposes	849,692	657,692	1,047,096	1,011,666	972,056	1,239,010	1,114,867	1,337,790	1,433,930	1,465,483
Unrestricted	(43,709)	(179,058)	(108,731)	(180,976)	(1,844,801)	(1,890,878)	(2,154,947)	(2,315,572)	(2,459,517)	(2,494,375)
Total district net position	<u>\$ 4,736,639</u>	<u>\$ 4,097,729</u>	<u>\$ 4,407,164</u>	<u>\$ 4,241,904</u>	<u>\$ 372,155</u>	<u>\$ 486,675</u>	<u>\$ 228,611</u>	<u>\$ 247,127</u>	<u>\$ 430,319</u>	<u>\$ 534,073</u>

Barrington School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

J-2

Fiscal Year Ending June 30,										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 3,075,513	\$ 2,356,419	\$ 2,767,185	\$ 2,826,277	\$ 3,634,351	\$ 3,279,189	\$ 3,366,236	\$ 3,741,504	\$ 3,336,081	\$ 3,330,576
Special education	875,724	1,253,984	1,167,771	1,275,374	1,160,139	1,400,181	1,433,344	1,652,424	1,719,508	1,701,877
Other instruction	114,440	132,951	129,602	128,154	149,707	143,912	166,949	190,833	122,453	106,850
Support Services:										
Tuition	5,356,679	4,849,768	3,968,660	4,204,377	3,739,380	3,737,670	3,842,255	3,277,077	3,805,316	3,993,328
Student & instruction related services	974,562	1,006,425	911,637	887,788	1,044,259	1,134,161	1,176,168	1,197,322	1,194,350	1,136,268
School administrative services	232,984	242,768	221,099	167,302	187,326	159,401	175,749	188,609	192,509	206,813
General and business administrative services	438,662	418,260	363,212	514,319	541,394	548,194	597,514	605,427	583,937	658,287
Plant operations and maintenance	633,014	734,569	501,324	722,348	1,214,681	749,376	765,718	1,179,150	1,055,913	1,098,153
Pupil transportation	395,754	385,491	415,007	463,689	449,777	462,781	435,809	466,314	451,280	379,076
Unallocated employee benefits	1,727,132	2,023,740	2,360,090	2,241,382	2,472,777	2,899,324	3,422,623	6,882,697	6,254,984	5,973,320
Transfer to Charter School	41,726	8,347	35,055	35,055	5,571	68,094	29,991	-	-	-
Interest on long-term debt	254,181	246,381	181,865	196,250	187,450	161,100	170,988	163,225	155,012	145,650
Unallocated depreciation	43,890	310,297	286,687	296,561	97,417	114,214	93,307	89,956	104,417	104,658
Total governmental activities expenses	<u>14,164,261</u>	<u>13,961,053</u>	<u>13,282,486</u>	<u>13,958,876</u>	<u>14,884,229</u>	<u>14,857,597</u>	<u>15,676,651</u>	<u>19,634,538</u>	<u>18,975,760</u>	<u>18,834,856</u>
Business-type activities:										
Food service	186,009	205,550	211,842	216,298	202,067	236,872	206,066	205,137	206,714	195,465
Total business-type activities expense	<u>186,009</u>	<u>205,550</u>	<u>211,842</u>	<u>216,298</u>	<u>202,067</u>	<u>236,872</u>	<u>206,066</u>	<u>205,137</u>	<u>206,714</u>	<u>195,465</u>
Total district expenses	<u>\$ 14,350,270</u>	<u>\$ 14,166,603</u>	<u>\$ 13,494,328</u>	<u>\$ 14,175,174</u>	<u>\$ 15,086,296</u>	<u>\$ 15,094,469</u>	<u>\$ 15,882,717</u>	<u>\$ 19,839,675</u>	<u>\$ 19,182,474</u>	<u>\$ 19,030,321</u>
Program Revenues:										
Governmental activities:										
Operating grants and contributions	\$ 1,024,704	\$ 1,045,161	\$ 1,296,205	\$ 1,141,282	\$ 1,483,956	\$ 1,555,032	\$ 1,647,553	\$ 5,560,339	\$ 4,744,757	\$ 4,460,294
Charges for services - Tuition						26,946	112,718	145,701	196,111	
Capital grants and contributions										
Total governmental activities program revenues	<u>1,024,704</u>	<u>1,045,161</u>	<u>1,296,205</u>	<u>1,141,282</u>	<u>1,483,956</u>	<u>1,581,978</u>	<u>1,760,271</u>	<u>5,706,040</u>	<u>4,940,868</u>	<u>4,460,294</u>

(Continued)

Barrington School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

J-2

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:										
Food service	\$ 107,730	\$ 110,915	\$ 121,464	\$ 116,546	\$ 120,434	\$ 123,313	\$ 122,455	\$ 122,111	\$ 108,138	\$ 76,154
Operating grants and contributions	67,569	84,373	85,072	84,060	91,910	97,911	94,981	92,283	88,229	94,715
Capital grants and contributions										
Total business-type activities program revenues	<u>175,299</u>	<u>195,288</u>	<u>206,536</u>	<u>200,606</u>	<u>212,344</u>	<u>221,224</u>	<u>217,436</u>	<u>214,394</u>	<u>196,367</u>	<u>170,869</u>
Total district program revenues	<u>\$ 1,200,003</u>	<u>\$ 1,240,449</u>	<u>\$ 1,502,741</u>	<u>\$ 1,341,888</u>	<u>\$ 1,696,300</u>	<u>\$ 1,803,202</u>	<u>\$ 1,977,707</u>	<u>\$ 5,920,434</u>	<u>\$ 5,137,235</u>	<u>\$ 4,631,163</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (13,139,557)	\$ (12,915,892)	\$ (11,986,281)	\$ (12,817,594)	\$ (13,400,273)	\$ (13,275,619)	\$ (13,916,380)	\$ (13,928,498)	\$ (14,034,892)	\$ (14,374,562)
Business-type activities	(10,710)	(10,262)	(5,306)	(15,692)	10,277	(15,648)	11,370	9,257	(10,347)	(24,596)
Total district-wide net expense	<u>\$ (13,150,267)</u>	<u>\$ (12,926,154)</u>	<u>\$ (11,991,587)</u>	<u>\$ (12,833,286)</u>	<u>\$ (13,389,996)</u>	<u>\$ (13,291,267)</u>	<u>\$ (13,905,010)</u>	<u>\$ (13,919,241)</u>	<u>\$ (14,045,239)</u>	<u>\$ (14,399,158)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 8,886,209	\$ 9,063,933	\$ 8,812,500	\$ 8,988,750	\$ 9,168,525	\$ 9,626,000	\$ 9,868,231	\$ 10,065,596	\$ 10,306,628	\$ 10,512,761
Taxes levied for debt service	446,081	457,655	449,884	416,250	389,234	425,250	427,900	435,250	442,150	443,600
Unrestricted grants and contributions	2,877,280	3,099,923	3,061,305	3,259,343	3,326,395	3,302,529	3,338,827	3,412,084	3,477,216	3,524,928
State aid restricted for capital projects	779									
Investment earnings	478	347		340	408	251	377	538	220	4,539
Miscellaneous income	47,892	34,194	11,060	3,323	24,945	51,736	11,585	24,266	2,197	16,908
Loss on disposal of assets										
Transfers										
Total governmental activities	<u>12,258,719</u>	<u>12,656,052</u>	<u>12,334,749</u>	<u>12,668,006</u>	<u>12,909,507</u>	<u>13,405,766</u>	<u>13,646,920</u>	<u>13,937,734</u>	<u>14,228,411</u>	<u>14,502,736</u>
Business-type activities:										
Investment earnings	245	363	124	20	24	21	26	23	20	176
Transfers										
Total business-type activities	<u>245</u>	<u>363</u>	<u>124</u>	<u>20</u>	<u>24</u>	<u>21</u>	<u>26</u>	<u>23</u>	<u>20</u>	<u>176</u>
Total district-wide	<u>\$ 12,258,964</u>	<u>\$ 12,656,415</u>	<u>\$ 12,334,873</u>	<u>\$ 12,668,026</u>	<u>\$ 12,909,531</u>	<u>\$ 13,405,787</u>	<u>\$ 13,646,946</u>	<u>\$ 13,937,757</u>	<u>\$ 14,228,431</u>	<u>\$ 14,502,912</u>
Change in Net Position:										
Governmental activities	\$ (880,838)	\$ (259,840)	\$ 348,468	\$ (149,588)	\$ (490,766)	\$ 130,147	\$ (269,460)	\$ 9,236	\$ 193,519	\$ 128,174
Business-type activities	(10,465)	(9,899)	(5,182)	(15,672)	10,301	(15,627)	11,396	9,280	(10,327)	(24,420)
Total district-wide	<u>\$ (891,303)</u>	<u>\$ (269,739)</u>	<u>\$ 343,286</u>	<u>\$ (165,260)</u>	<u>\$ (480,465)</u>	<u>\$ 114,520</u>	<u>\$ (258,064)</u>	<u>\$ 18,516</u>	<u>\$ 183,192</u>	<u>\$ 103,754</u>

Barrington School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Restricted for:										
Capital reserve	\$ 23,202	\$ 223,549	\$ 313,731	\$ 314,071	\$ 231,079	\$ 437,275	\$ 836,652	\$ 992,190	\$ 945,655	\$ 1,137,180
Maintenance reserve			200,000	200,000	200,000	200,000	160,000	320,160	320,229	321,645
Emergency reserve			200,000	200,000	200,000	200,000	160,000	160,160	135,193	135,791
Tuition reserve		160,533	447,096	423,623	457,060	640,000	600,000	620,000	680,000	690,000
Excess surplus	252,249			-	-	-				
Assigned to:										
Year end encumbrances	17,443	105,514	-	-	-	-	24,189	-	61,107	89,013
Designated for subsequent year's budget	580,000	391,645	200,000	188,043	114,996	199,010	170,678	237,470	237,401	229,034
Unassigned	108,101	(29,473)	1,398	(40,177)	(28,886)	(7,562)	11,098	13,244	(5,475)	3,537
Total general fund	<u>\$ 980,995</u>	<u>\$ 851,768</u>	<u>\$ 1,362,225</u>	<u>\$ 1,285,560</u>	<u>\$ 1,174,249</u>	<u>\$ 1,668,723</u>	<u>\$ 1,962,617</u>	<u>\$ 2,343,224</u>	<u>\$ 2,374,110</u>	<u>\$ 2,606,200</u>
All Other Governmental Funds										
Restricted for, reported in:										
Special revenue fund	\$ 21,333									
Capital projects fund	357,819	\$ 296,677	\$ -	\$ -	\$ 2,945					
Debt service fund	1,023	197	38,216	38,216						
Total all other governmental funds	<u>\$ 380,175</u>	<u>\$ 296,874</u>	<u>\$ 38,216</u>	<u>\$ 38,216</u>	<u>\$ 2,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Barrington School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

J-4

	Fiscal Year Ending June 30,									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues										
Tax levy	\$ 9,332,290	\$ 9,521,588	\$ 9,262,384	\$ 9,405,000	\$ 9,557,759	\$ 10,051,250	\$ 10,296,131	\$ 10,500,846	\$ 10,748,778	\$ 10,956,361
Tuition					22,138	26,946	112,718	145,701	196,111	6,950
Transportation fees										
Interest earnings	478	347	-	340	408	251	377	538	220	4,539
Miscellaneous	47,892	34,194	11,060	3,323	2,807	51,736	11,585	24,266	2,197	9,958
State sources	3,481,610	3,705,289	3,983,279	4,061,072	4,457,669	4,436,988	4,662,021	4,949,005	5,218,725	5,372,411
Federal sources	421,153	439,795	374,231	339,553	352,682	420,573	324,359	340,445	326,656	357,477
Total revenue	<u>13,283,423</u>	<u>13,701,213</u>	<u>13,630,954</u>	<u>13,809,288</u>	<u>14,393,463</u>	<u>14,987,744</u>	<u>15,407,191</u>	<u>15,960,801</u>	<u>16,492,687</u>	<u>16,707,696</u>
Expenditures										
Instruction										
Regular Instruction	2,902,186	2,354,150	2,789,552	2,790,601	3,215,363	2,893,556	3,002,604	3,315,669	3,076,908	2,974,045
Special education instruction	875,724	1,253,984	1,167,771	1,275,374	1,160,139	1,400,181	1,433,344	1,652,424	1,719,508	1,701,877
Other instruction	114,440	132,951	129,602	128,154	149,707	143,912	166,949	190,833	122,453	106,850
Support Services:										
Tuition	5,356,679	4,849,768	3,968,660	4,204,377	3,739,380	3,737,670	3,842,255	3,277,077	3,805,316	3,993,328
Student & instruction related services	974,562	1,006,425	911,637	887,788	1,044,259	1,134,161	1,176,168	1,197,322	1,194,350	1,136,268
School administrative services	232,984	242,768	221,099	167,302	158,193	159,401	175,749	188,609	192,509	206,813
General and business admin. services	417,714	416,397	361,349	513,388	512,261	491,086	542,204	551,793	531,728	605,959
Plant operations and maintenance	650,774	635,652	578,674	723,029	717,604	723,713	757,160	792,418	784,930	838,646
Pupil transportation	395,754	385,491	415,007	463,689	449,777	462,781	435,809	466,314	451,280	379,076
Other support services	1,727,132	2,023,740	2,360,090	2,241,382	2,461,104	2,830,587	3,102,041	3,097,010	3,543,724	3,693,603
Transfer to Charter School	41,726	8,347	35,055	35,055	5,571	68,094	29,991	-	-	-
Capital outlay	28,816	153,934	55,502	39,564	499,237	76,439	21,123	415,475	596,945	395,541
Debt service:										
Principal	190,000	210,000	230,000	220,000	240,000	245,000	255,000	270,000	285,000	295,000
Interest and other charges	256,081	248,481	181,865	196,250	187,450	180,250	172,900	165,250	157,150	148,600
Total expenditures	<u>14,164,572</u>	<u>13,913,741</u>	<u>13,379,155</u>	<u>13,885,953</u>	<u>14,540,045</u>	<u>14,546,831</u>	<u>15,113,297</u>	<u>15,580,194</u>	<u>16,461,801</u>	<u>16,475,606</u>
Excess (Deficiency) of revenues over (under) expenditures	(881,149)	(212,528)	251,799	(76,665)	(146,582)	440,913	293,894	380,607	30,886	232,090
Other Financing sources (uses)										
Proceeds from borrowing						50,616				
Accrued interest on sale of bonds										
Prior year payable canceled										
Capital reserve transfer to Capital Projects										
Capital outlay transfer to Capital Projects										
Transfers in	197		90,182		278,400	2,945				
Transfers out	(197)		(90,182)		(278,400)	(2,945)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (881,149)</u>	<u>\$ (212,528)</u>	<u>\$ 251,799</u>	<u>\$ (76,665)</u>	<u>\$ (146,582)</u>	<u>\$ 491,529</u>	<u>\$ 293,894</u>	<u>\$ 380,607</u>	<u>\$ 30,886</u>	<u>\$ 232,090</u>
Debt service as a percentage of noncapital expenditures	3.16%	3.33%	3.09%	3.01%	3.04%	2.94%	2.84%	2.87%	2.79%	2.76%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Barrington School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

J-5

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Prior Year Refunds</u>	<u>Rentals</u>	<u>Custodial</u>	<u>Miscellaneous</u>	<u>Total</u>
2011	\$ 16,947	\$ -	\$ 30,850	\$ -	\$ -	\$ 573	\$ 48,370
2012	12,673		21,357			511	34,541
2013	3,646					7,414	11,060
2014	1,634		28			1,661	3,323
2015	1,382	22,138	1,425				24,945
2016	2,055	26,946	18,963		23,282	7,687	78,933
2017	2,271	112,718	2,950	700		6,041	124,680
2018	2,193	145,701	20,967	-		1,644	170,505
2019	539	196,111				1,878	198,528
2020	10,433	6,950	4,064				21,447
	<u>\$ 53,773</u>	<u>\$ 510,564</u>	<u>\$ 100,604</u>	<u>\$ 700</u>	<u>\$ 23,282</u>	<u>\$ 27,409</u>	<u>\$ 716,332</u>

Source: District records

**Barrington School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2011	3,718,800	451,117,000	521,200	40,934,300	30,174,100	44,707,700	571,173,100	1,072,135	572,245,235	146,126,700	1.647	563,323,573
2012	3,931,000	448,796,300	521,200	40,940,900	30,174,100	44,707,700	569,071,200	1,027,921	570,099,121	145,896,800	1.648	549,911,838
2013	3,839,000	446,818,000	521,200	40,054,500	30,174,100	37,129,900	558,536,700	986,545	559,523,245	146,061,300	1.668	527,825,972
2014	3,894,000	444,079,600	521,200	35,620,800	30,154,100	37,053,900	551,323,600	863,954	552,187,554	146,579,000	1.717	518,282,758
2015	3,702,400	442,083,600		35,588,700	26,054,100	37,053,900	544,482,700	870,278	545,352,978	146,942,700	1.798	511,919,710
2016	3,443,200	439,400,700		35,580,000	25,894,400	36,669,000	540,987,300	861,706	541,849,006	146,638,800	1.878	512,007,524
2017	2,798,500	387,324,500		31,387,510	33,276,600	39,190,300	493,977,410	871,110	494,848,520	144,473,200	2.101	446,453,328
2018	3,239,100	387,420,073		31,419,510	33,276,600	39,190,300	494,545,583	847,527	495,393,110	145,959,100	2.142	495,904,537
2019	3,223,900	387,828,000		31,288,510	33,276,600	39,190,300	494,807,310	875,518	495,682,828	145,959,100	2.190	541,276,616
2020	3,014,700	387,928,300		31,102,910	33,276,600	39,190,300	494,512,810	921,075	495,433,885	147,236,500	2.233	521,076,992

Source:

Municipal Tax Assessor

Note:

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

- a** Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies
- b** Tax rates are per \$100 of assessed valuation.
- c** Not available.
- R** Revaluation

**Barrington School District
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years**
(rate per \$100 of assessed value)

J-7

Fiscal Year Ended June 30,	Barrington School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Barrington	Camden County	
2011	1.572	0.075	1.647	0.811	0.694	3.152
2012	1.573	0.075	1.648	0.857	0.739	3.244
2013	1.594	0.074	1.668	0.903	0.718	3.289
2014	1.645	0.072	1.717	0.966	0.792	3.475
2015	1.720	0.078	1.798	1.007	0.823	3.628
2016	1.800	0.078	1.878	1.045	0.828	3.751
2017	2.015	0.086	2.101	1.172	0.916	4.189
2018	2.055	0.087	2.142	1.199	0.955	4.296
2019	2.101	0.089	2.190	1.244	0.947	4.381
2020	2.143	0.090	2.233	1.274	0.893	4.400

Source: Municipal Tax Collector

R Revaluation

**Barrington School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

J-8

Taxpayer	2020		Taxpayer	2011	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
International Paper Company	\$ 5,726,100	1.16%	Haddonfield Manor, LLC	\$ 23,356,100	4.08%
101 Gloucester Pike Assoc.	3,594,900	0.73%	Greenville Gardens Limited	18,121,400	3.17%
120 E Barrington LLC	3,116,100	0.63%	AP-KEERA Barrington, LLC	16,433,100	2.87%
Barrington Redevelopment Urban Renewal	3,010,409	0.61%	Weyerhaeuser Paper Co.	15,500,000	2.71%
Daniel G Kamin (Rite Aid)	2,792,900	0.56%	Berg Enterprise Associates	7,390,300	1.29%
SR Housing of Barrington, Partners	2,080,248	0.42%	Norman & Pauline Edmund	5,000,000	0.87%
Sieck Brothers/Royal Courts	1,718,800	0.35%	BVW Associates, LP	4,300,000	0.75%
JVS Properties LLC	1,450,000	0.29%	Sieck Brothers/Royal Courts	3,632,100	0.63%
BVW Associates LP	1,308,900	0.26%	Maureen Lenahan	2,421,000	0.42%
Castle Academy INC.	986,700	0.20%	FBV Inc.	2,088,500	0.36%
Total	<u>\$ 25,785,057</u>	<u>5.20%</u>		<u>\$ 98,242,500</u>	<u>17.17%</u>

Source: Municipal Tax Assessor

**Barrington School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

J-9

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Calendar Year</u>	<u>Collected within the Fiscal Year of the Levy^a</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2011	\$ 9,332,290	\$ 9,332,290	100.00%	-
2012	9,521,588	9,521,588	100.00%	-
2013	9,262,384	8,262,384	89.20%	-
2014	9,405,000	9,405,000	100.00%	-
2015	9,557,759	9,557,759	100.00%	-
2016	10,051,250	10,051,250	100.00%	-
2017	10,296,131	10,296,131	100.00%	-
2018	10,500,846	10,500,846	100.00%	-
2019	10,748,778	10,748,778	100.00%	-
2020	10,956,361	10,956,361	100.00%	-

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

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

**Barrington School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

J-10

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income ^b	Per Capita ^c
	General Obligation Bonds ^a	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2011	\$ 5,917,000	\$ 17,991	\$ -	\$ -	\$ 5,934,991	1.96%	\$ 859
2012	5,707,000	16,982	-	-	5,723,982	1.87%	834
2013	5,230,000	6,621	-	-	5,236,621	1.70%	769
2014	5,010,000	2,320	-	-	5,012,320	1.58%	74
2015	4,770,000	160	-	-	4,770,160	1.44%	706
2016	4,525,000	-	-	-	4,525,000	1.34%	670
2017	4,270,000	40,539	-	-	4,310,539	1.24%	641
2018	4,000,000	30,997	-	-	4,030,997	1.12%	604
2019	3,715,000	21,070	-	-	3,736,070	c	562
2020	3,420,000	10,743	-	-	3,430,743	c	c

Sources:

- a District Records
- b Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- c Information not available.

**Barrington School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years**

J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding ^a		
2011	\$ 6,547,000	\$ -	\$ 6,547,000	1.32%	\$ 947
2012	5,707,000	-	5,707,000	1.15%	832
2013	5,230,000	-	5,230,000	1.06%	768
2014	5,010,000	-	5,010,000	0.91%	739
2015	4,770,000	-	4,770,000	0.87%	706
2016	4,525,000	-	4,525,000	0.84%	670
2017	4,270,000	-	4,270,000	0.86%	635
2018	4,000,000	-	4,000,000	0.81%	599
2019	3,715,000	-	3,715,000	0.75%	559
2020	3,420,000	-	3,420,000	0.69%	d

Sources:

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation.
- c Per Capita Personal Inome Data provided by the NJ Dept. of Labor and Workforce.
- d Information not available.

**Barrington School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2019**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Barrington	\$ 12,991,629 (1)	100.000%	\$ 12,991,629
Camden County General Obligation Debt	357,727,729 (1)	1.391% (2)	4,975,993
			<hr/>
Subtotal, overlapping debt			17,967,622
Barrington School District Direct Debt			<hr/> 3,715,000
Total direct and overlapping debt			<hr/> \$ 21,682,622 <hr/>

Sources:

- (1) Entity's Annual Debt Statement.
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2019 Equalized Valuation. The source for this computation was the 2019 County Abstract of Ratables, provided by the County Board of Taxation.

**Barrington School District
Legal Debt Margin Information,
Last Ten Fiscal Years**
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2020

	Equalized valuation basis (1)	
	2017	\$ 522,119,660
	2018	534,734,295
	2019	514,513,164
		<u>\$ 1,571,367,119</u>
	Average equalized valuation of taxable property	\$ 523,789,040
	Debt limit (3% of average equalized valuation) (2)	15,713,671
	Net bonded school debt (3)	3,420,000
	Legal debt margin	<u>\$ 12,293,671</u>

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 17,483,972	\$ 17,132,672	\$ 16,469,440	\$ 15,903,776	\$ 15,578,788	\$ 15,365,580	\$ 15,324,735	\$ 15,436,352	\$ 15,701,246	\$ 15,713,671
Total net debt applicable to limit (3)	5,917,000	5,707,000	5,230,000	5,010,000	4,770,000	4,525,000	4,270,000	4,000,000	3,715,000	3,420,000
Legal debt margin	<u>\$ 11,566,972</u>	<u>\$ 11,425,672</u>	<u>\$ 11,239,440</u>	<u>\$ 10,893,776</u>	<u>\$ 10,808,788</u>	<u>\$ 10,840,580</u>	<u>\$ 11,054,735</u>	<u>\$ 11,436,352</u>	<u>\$ 11,986,246</u>	<u>\$ 12,293,671</u>
Total net debt applicable to the limit as a percentage of debt limit	33.84%	33.31%	31.76%	31.50%	30.62%	29.45%	27.86%	25.91%	23.66%	21.76%

Sources:

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
- (3) District Records

**Barrington School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

J-14

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2011	6,911	\$ 302,667,245	\$ 43,795	6.8%
2012	6,862	305,990,304	44,592	6.9%
2013	6,810	308,057,160	45,236	6.7%
2014	6,779	317,968,995	46,905	6.4%
2015	6,760	330,503,160	48,891	5.0%
2016	6,750	338,607,000	50,164	4.2%
2017	6,720	348,445,440	51,852	4.0%
2018	6,679	361,353,937	54,103	4.0%
2019	6,642	e	e	3.1%
2020	e	e	e	e

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income has been established based upon the municipal population and per capita personal income presented.
- ^c Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- ^e Information not available

**Barrington School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

J-16

<u>Function/Program</u>	<u>Fiscal Year Ending June 30,</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Instruction										
Regular	31.0	38.0	41.0	42.0	42.0	43.0	43.0	44.0	42.0	47.0
Special education	13.0	13.0	13.0	13.0	13.0	12.0	17.0	19.0	17.0	18.0
Support Services:										
Student & instruction related services	24.4	22.0	19.0	19.0	19.0	19.0	20.0	22.0	22.0	22.0
School administrative services	3.0	3.0	5.5	5.5	6.5	6.5	6.0	10.0	10.0	10.0
General and business administrative services	1.4	0.6	0.6	0.6	0.6	0.6	1.0	2.0	2.0	2.0
Plant operations and maintenance	6.5	6.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Business and other support services	1.3	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Total	<u>80.6</u>	<u>84.8</u>	<u>87.8</u>	<u>88.8</u>	<u>89.8</u>	<u>89.8</u>	<u>95.7</u>	<u>105.7</u>	<u>101.7</u>	<u>107.7</u>

Source:

District Personnel Records

**Barrington School District
Operating Statistics,
Last Ten Fiscal Years**

J-17

<u>Fiscal Year</u>	<u>Resident Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2011	608	\$ 14,106,131	\$ 23,201	9.76%	56	1:10	625.6	594.5	3.49%	95.03%
2012	614	13,301,326	21,663	-6.63%	51	1:10	619.2	592.5	-1.02%	95.69%
2013	625	12,903,441	20,646	-4.70%	54	1:10	615.3	587.8	-0.63%	95.53%
2014	613	13,430,139	21,909	6.12%	55	1:11	612.9	587.8	-0.39%	95.90%
2015	616	13,613,358	22,100	0.87%	55	1:11	617.4	591.7	0.73%	95.84%
2016	619	14,045,142	22,690	2.67%	55	1:11	615.8	590.0	-0.26%	95.81%
2017	610	14,664,274	24,040	5.95%	60	1:10	614.7	589.7	-0.18%	95.93%
2018	628	14,729,469	23,455	-2.43%	63	1:10	620.6	590.8	0.96%	95.20%
2019	590	15,422,706	26,140	11.45%	59	1:10	592.5	566.5	-4.53%	95.61%
2020	597	15,636,465	26,192	0.20%	65	1:10	602.8	582.2	1.74%	96.58%

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).

**Barrington School District
School Building Information
Last Ten Fiscal Years**

J-18

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
District Building										
<u>Elementary</u>										
Woodland Elementary (1982)										
Square Feet	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462
Capacity (students)	353	353	353	353	353	353	353	353	353	353
Enrollment	252	237	250	224	248	256	264	287	265	262
Avon Elementary (1982)										
Square Feet	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876
Capacity (students)	308	308	308	308	308	308	308	308	308	308
Enrollment	356	377	375	389	370	360	350	333	301	341
<u>Other</u>										
Central Administration (1982)										
Square Feet	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820

Number of Schools at June 30, 2020
 Elementary = 1
 Middle School = 1
 Senior High School = 0
 Other = 0

Source: District Facilities Office

Barrington School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years

J-19

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

	Fiscal Year Ending June 30,										Total
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
* School Facilities											
Woodland School	\$ 43,672	\$ 30,122	\$ 61,265	\$ 56,949	\$ 70,057	\$ 65,692	\$ 63,871	\$ 71,261	\$ 48,199	\$ 57,590	\$ 568,678
Avon School	42,185	35,844	55,258	50,772	62,457	58,553	56,938	63,038	42,638	50,945	518,628
Other Facilities	3,358	11,087	3,604	2,008	2,470	2,329	2,258	2,741	1,854	2,215	33,924
Total School Facilities	<u>\$ 89,215</u>	<u>\$ 77,053</u>	<u>\$ 120,127</u>	<u>\$ 109,729</u>	<u>\$ 134,984</u>	<u>\$ 126,574</u>	<u>\$ 123,067</u>	<u>\$ 137,040</u>	<u>\$ 92,691</u>	<u>\$ 110,750</u>	<u>\$ 1,121,230</u>

* School facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

**Barrington School District
Insurance Schedule
June 30, 2020**

J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)		
Limits of liability per occurrence	\$ 500,000,000	\$ 5,000
Equipment Breakdown	100,000,000	5,000
General Liability	16,000,000	
Automobile Liability	16,000,000	1,000
School Leaders Errors and Omissions	15,000,000	5,000
Workers' Compensation	3,000,000	
School Board Legal Liability	16,000,000	5,000
Public Employee Dishonesty	250,000	1,000
Loss of Money and Securities	50,000	500
Forgery or Alteration	50,000	500
Computer Fraud	250,000	1,000
Electronic Data Processing Equipment	780,000	1,000
Student Accident Coverage (Base Plan) (2)	1,000,000	
Student Accident Coverage (Catastrophic Plan) (3)	1,000,000	
Surety Bonds (4)		
Treasurer	200,000	
Board Secretary	50,000	

- (1) New Jersey School Boards Association Insurance Group
- (2) Berkley Life and Health Insurance
- (3) US Fire Insurance Company
- (4) Selective Insurance

Source: District records

Single Audit Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: rinverso@inversocpa.com

-Member of-
 American Institute of CPAs
 New Jersey Society of CPAs

**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***

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
 of the Board of Education
 Barrington School District
 County of Camden
 Barrington, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the 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 Barrington School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated December 18, 2020.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Barrington School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the Barrington 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 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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Barrington School District's financial statements are free from material misstatement, I 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 18, 2020

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: rinverso@inversocpa.com

-Member of-
 American Institute of CPAs
 New Jersey Society of CPAs

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE
 REQUIRED BY NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
 of the Board of Education
 Barrington School District
 County of Camden
 Barrington, New Jersey

Report on Compliance for Each Major State Program

I have audited Barrington School District (School District), in the County of Camden, State of New Jersey's compliance with the types of compliance requirements described in the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2020. The School District's major 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 state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the School District's major state programs based on my audit of the types of compliance requirements referred to above. I conducted my 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and State of New Jersey Circular 15-08-OMB require that I 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 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 I considered necessary in the circumstances.

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

Opinion on Each Major State Program

In my opinion, the Barrington School District, in the County of Camden, State of New Jersey 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 state programs for the fiscal year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Barrington 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 my audit of compliance, I 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 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 state program and to test and report on internal control over compliance in accordance with the State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Barrington 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 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 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 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.

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my testing of internal control over compliance and the results of that testing based on the requirements of State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 18, 2020

BARRINGTON SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2019			Carryover/ Walkover	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2020		
						(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Accounts Receivable)	Unearned Revenue	Due to Grantor
U.S. Department of Education																
Passed-through State Department of Education:																
Special Revenue Fund:																
Title I:																
Fiscal Year 2020	84.010	S010A190030	ESSA019020	\$ 113,361	7/1/19 - 9/30/20	\$ -	\$ -	\$ -	\$ -	\$ 66,929	\$ (113,358)	\$ -	\$ -	\$ (46,429)	\$ -	\$ -
Fiscal Year 2019	84.010	S010A180030	ESSA019019	103,180	7/1/18 - 6/30/19	(102,888)				102,888				-		
Title II A:																
Fiscal Year 2020	84.367	S367A190029	ESSA019020	18,713	7/1/19 - 9/30/20						(17,713)			(17,713)		
Title IV:																
Fiscal Year 2020	84.424	S424A190031	ESSA019020	13,868	7/1/19 - 9/30/20						(12,947)			(12,947)		
Fiscal Year 2019	84.424	S424A180031	ESSA019019	13,037	7/1/18 - 6/30/19	(9,169)				9,169				-		
I.D.E.A. Part B - Basic:																
Fiscal Year 2020	84.027	H027A190100	IDEA019020	204,894	7/1/19 - 9/30/20					204,894	(204,894)			-		
Fiscal Year 2019	84.027	H027A180100	IDEA019019	206,355	7/1/18 - 6/30/19	(25,073)				25,073				-		
I.D.E.A. Part B - Preschool:																
Fiscal Year 2020	84.173	H173A190114	IDEA019020	8,364	7/1/19 - 9/30/20						(8,363)			(8,363)		
Fiscal Year 2019	84.173	H173A180114	IDEA019019	8,244	7/1/18 - 6/30/19	(8,244)				8,244				-		
CARES Act																
Fiscal Year 2020	93.224	N/A	N/A	76,064	7/1/19 - 9/30/20						(202)			(202)		
Total U.S. Department of Education						(145,374)				417,197	(357,477)			(85,654)		
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Food Distribution Program																
Fiscal Year 2020	10.565	201NJ304N1099	N/A	11,206	7/1/19 - 6/30/20					11,206	(11,206)			-		
School Breakfast Program:																
Fiscal Year 2020	10.553	201NJ304N1099	N/A	20,724	7/1/19 - 6/30/20					16,873	(20,723)			(3,850)		
Fiscal Year 2019	10.553	191NJ304N1099	N/A	11,138	7/1/18 - 6/30/19	(951)				951				-		
National School Lunch Program:																
Fiscal Year 2020	10.555	201NJ304N1099	N/A	60,796	7/1/19 - 6/30/20					54,702	(60,792)			(6,090)		
Fiscal Year 2019	10.555	191NJ304N1099	N/A	62,548	7/1/18 - 6/30/19	(3,434)				3,434				-		
Total U.S. Department of Agriculture						(4,385)				87,166	(92,721)			(9,940)		
Total Federal Awards						\$ (149,759)	\$ -	\$ -	\$ -	\$ 504,363	\$ (450,198)	\$ -	\$ -	\$ (95,594)	\$ -	\$ -

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

BARRINGTON SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2020

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2019			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance, June 30, 2020		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor
State Department of Education													
General Fund:													
Equalization Aid	20-495-034-5120-078	\$ 2,748,935	7/1/19 - 6/30/20	\$ -	\$ -	\$ -	\$ -	\$ 2,477,947	\$ (2,748,935)	\$ -	\$ (270,988)	\$ -	\$ -
Equalization Aid	19-495-034-5120-078	2,746,512	7/1/18 - 6/30/19	(267,956)				267,956					
Special Education Categorical Aid	19-495-034-5120-089	557,456	7/1/19 - 6/30/20					502,502	(557,456)		(54,954)		
Special Education Categorical Aid	19-495-034-5120-089	524,444	7/1/18 - 6/30/19	(51,166)				51,166					
Categorical Security Aid	20-495-034-5120-084	81,247	7/1/19 - 6/30/20					73,238	(81,247)		(8,009)		
Categorical Security Aid	19-495-034-5120-084	81,247	7/1/18 - 6/30/19	(7,927)				7,927					
Categorical Transportation Aid	20-495-034-5120-014	75,087	7/1/19 - 6/30/20					67,685	(75,087)		(7,402)		
Categorical Transportation Aid	19-495-034-5120-014	75,087	7/1/18 - 6/30/19	(7,325)				7,325					
Extraordinary Special Education Cost Aid	20-495-034-5120-044	68,654	7/1/19 - 6/30/20						(68,654)		(68,654)		
Extraordinary Special Education Cost Aid	19-495-034-5120-044	46,483	7/1/18 - 6/30/19	(46,483)				46,483					
Nonpublic Transportation Aid	20-495-034-5120-014	528	7/1/19 - 6/30/20						(528)		(528)		
Nonpublic Transportation Aid	19-495-034-5120-014	15,643	7/1/18 - 6/30/19	(15,643)				15,643					
On-behalf TPAF Pension Contribution	20-495-034-5094-002	1,079,219	7/1/19 - 6/30/20					1,079,219	(1,079,219)				
On-behalf TPAF Post Retirement Medical	20-495-034-5094-001	400,370	7/1/19 - 6/30/20					400,370	(400,370)				
On-behalf TPAF Long Term Disability Ins.	20-495-034-5094-004	1,324	7/1/19 - 6/30/20					1,324	(1,324)				
Reimbursed TPAF Social Security Contr.	20-495-034-5094-003	366,570	7/1/19 - 6/30/20					330,239	(366,570)		(36,331)		
Reimbursed TPAF Social Security Contr.	19-495-034-5094-003	369,021	7/1/18 - 6/30/19	(17,916)				17,916					
Total General Fund				(414,416)				5,346,940	(5,379,390)		(446,866)		
Special Revenue													
NJ Nonpublic Aid													
Nursing Aid	19-100-034-5120-070	12,028	7/1/18 - 6/30/19				4,883			4,883			
Technology Aid	19-100-034-5120-373	4,464	7/1/18 - 6/30/19				268			268			
Security Aid	19-100-034-5120-509	18,600	7/1/18 - 6/30/19				12,915			12,915			
Handicapped Services:													
Examination & Classification	19-100-034-5120-066	18,375	7/1/18 - 6/30/19				1,824			1,824			
Total Special Revenue Fund							19,890			19,890			
State Department of Agriculture													
Enterprise Fund:													
National School Lunch Program (State Share)	20-100-010-3350-023	1,994	7/1/19 - 6/30/20					1,442	(1,994)		(552)		
National School Lunch Program (State Share)	19-100-010-3350-023	1,915	7/1/18 - 6/30/19	(103)				103					
Total Enterprise Fund				(103)				1,545	(1,994)		(552)		
Total State Financial Assistance				\$ (414,519)	\$ -	\$ 19,890	\$ -	\$ 5,348,485	\$ (5,381,384)	\$ 19,890	\$ (447,418)	\$ -	\$ -
Less: State Financial Assistance Not Subject to New Jersey OMB Circular 15-08													
On-Behalf TPAF Contribution - Pension (Non-Budgeted)													
									(1,079,219)				
On-Behalf TPAF Contribution - Post Retirement Medical (Non-Budgeted)													
									(400,370)				
On-Behalf TPAF Contribution - Long Term Disability Insurance (Non-Budgeted)													
									(1,324)				
Total State Financial Assistance Subject to New Jersey OMB Circular 15-08													
									\$ (3,900,471)				

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

Barrington School District
Notes to Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2020

1. GENERAL

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

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *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 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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 the expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 of the 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 June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$6,979) for the general fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ -	\$ 5,372,411	\$ 5,372,411
Special Revenue	357,477		357,477
Food Service	<u>92,721</u>	<u>1,994</u>	<u>94,715</u>
Total	<u>\$ 450,198</u>	<u>\$ 5,374,405</u>	<u>\$ 5,824,603</u>

Barrington School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2020
(Continued)

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.

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2020. 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, 2020.

6. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**BARRINGTON SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section 1 -- Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? _____ yes X no

Significant deficiencies identified? _____ yes X none reported

Noncompliance material to general purpose financial statements noted? _____ yes X no

Federal Awards

NOT APPLICABLE

Internal Control over major programs:

Material weaknesses identified? _____ yes _____ no

Significant deficiencies identified? _____ yes _____ none reported

Type of auditor's report on compliance for major programs: _____

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? _____ yes _____ no

Identification of major programs:

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

Dollar threshold used to distinguish between type A and type B programs: _____

Auditee qualified as low-risk auditee? _____ yes _____ no

**BARRINGTON SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section 2 -- Schedule of Financial Statement Findings

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

No findings and /or questioned costs identified.

**BARRINGTON SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FEDERAL AWARDS:

A federal single audit was not required.

STATE AWARDS:

No findings and/or questioned costs identified.

**BARRINGTON SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

A federal single audit was not required.

STATE AWARDS

There were no prior year audit findings.