

BORDENTOWN REGIONAL SCHOOL DISTRICT

Bordentown Township, New Jersey
County of Burlington

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
BORDENTOWN REGIONAL SCHOOL DISTRICT**

**BORDENTOWN TOWNSHIP, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Prepared by

Bordentown Regional School District
Business Administrator's Office

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INTRODUCTORY SECTION

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Eileen Francisco-Cabus
President

Salvatore Schiano
Vice President

Bordentown Regional School District

318 WARD AVENUE
BORDENTOWN, NJ 08505

Edward Forsthoffer, III, Ed.D.
Superintendent

Chifonda Henry, SBA
Business Administrator

Business Office (609) 298-0025 Extension 1204	FAX (609) 298-2515	Superintendent's Office (609) 298-0025 Extension 1211
Internet Web Site: www.bordentown.k12.nj.us		

Honorable President and Members of the Board of Education
Bordentown Regional School District
Bordentown, NJ 08505

Dear Board Members and Citizens of the Regional District:

The Comprehensive Annual Financial Report of the Bordentown Regional School District ("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 (the Board). 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 of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three major sections; Introductory, Financial, and Statistical. The Introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The Financial section includes, under Governmental Accounting Standard Board Statement No. 34 as amended, the Report of Independent Accountants, the Management's Discussion and Analysis, the Basic Financial Statements, and the combining and individual fund statements. Required Supplementary Information includes Budgetary Comparison Schedules, Special Revenue Fund Schedules, as well as Capital Projects, Enterprise, Fiduciary Fund and Long-Term Debt schedules. The Statistical section includes selected financial; demographic; and operational information.

In addition, the District is required to undergo an annual Single Audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirement's, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, *"Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid"*. Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

The financial statements include:

1. A Management Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all of the District's activities, including infrastructure.
3. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements and notes to financial statements.

1. REPORTING ENTITY AND ITS SERVICES: The Bordentown Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. The District provides a full range of educational services appropriate to regular and special education students in grade levels K through 12. The Bordentown Regional Board of Education and its schools constitute the District's reporting entity. The District's on-roll enrollment as of October 15, 2019 was 2,432, inclusive of some high school students received from the New Hanover Public Schools on a tuition basis.

This Comprehensive Annual Financial Report for the year ended June 30, 2020 is presented in GASB 34 format. The Bordentown Regional Board of Education and all its schools constitute the District's reporting entity. The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. Food Service and Community District Alliance functions are classified as business-type activities. All funds of the district are included in this report.

2. MAJOR ACTIVITIES AND INITIATIVES:

The District continued its focus on preparing students to face the evolving learning environments and expectations before them. This included providing staffing and other resources to meet the needs of diverse student learners in basic skills, special education, English language acquisition, and gifted education. Included therein was continuation of full day kindergarten and preschool programs; before and after school as well as extended school year programs for students "at risk"; support for staff professional development. In addition, we maintained all academic and extra-curricular programs and activities without requiring participation contributions.

The District also maintained a full complement of diverse operational and service resources in support of its educational objectives, including a comprehensive level of transportation services; state-of-the art technology resources; comprehensive facility management systems; Federally/State compliant food service operations; as well as services to its communities in the form of before/after school care services and summer recreation programs.

Pandemic Impact: As was the case with other New Jersey school districts, Bordentown was impacted by COVID-19, whose effects became most fully realized state-wide during the winter of 2020. Impacts on the district included switching from in-district to remote learning for all students, as mandated by government officials, and developing enhanced protocols and resources to address protective safety and instructional needs for all students and staff. Due above stated timing of the COVI-19 in New Jersey, the its overall financial impact was not severe for this school year, but it did require the district to reprioritize spending in unanticipated ways and will modify expected future priorities.

3. 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 no 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 require estimates and judgments by management.

As a recipient of federal and state financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. As part of the District's single audit described earlier, auditors conducted tested 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.

4. 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 certified/adopted by the Board. Annual appropriated budgets are certified/adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. These final annual budgets, as amended, are reflected in the financial section. Project-length budgets are approved for capital improvements and accounted for in the Capital Projects Fund.

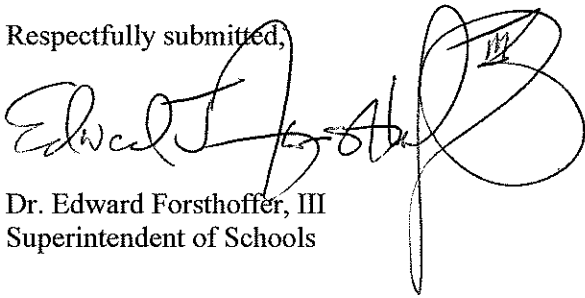
An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year end are either cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2020.

5. ACCOUNTING SYSTEMS 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. These funds are explained in "Notes to the Financial Statements", Note 1.
6. CASH MANAGEMENT: The investment policy of the District is guided in substantial part by New Jersey State statute(s) 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 by requiring such units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
7. 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.
8. OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman McNally & Associates., Certified Public Accountants, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal

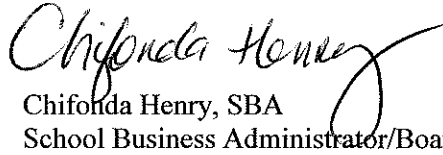
regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

9. ACKNOWLEDGMENTS: We would like to express our appreciation to the Board members of the Bordentown Regional School District for their fiscal stewardship on behalf of the citizens and taxpayers of the school district and as well as to our District's financial and other staff for their support and dedicated services without whom we would not be able to serve the students entrusted to us by our constituent communities.

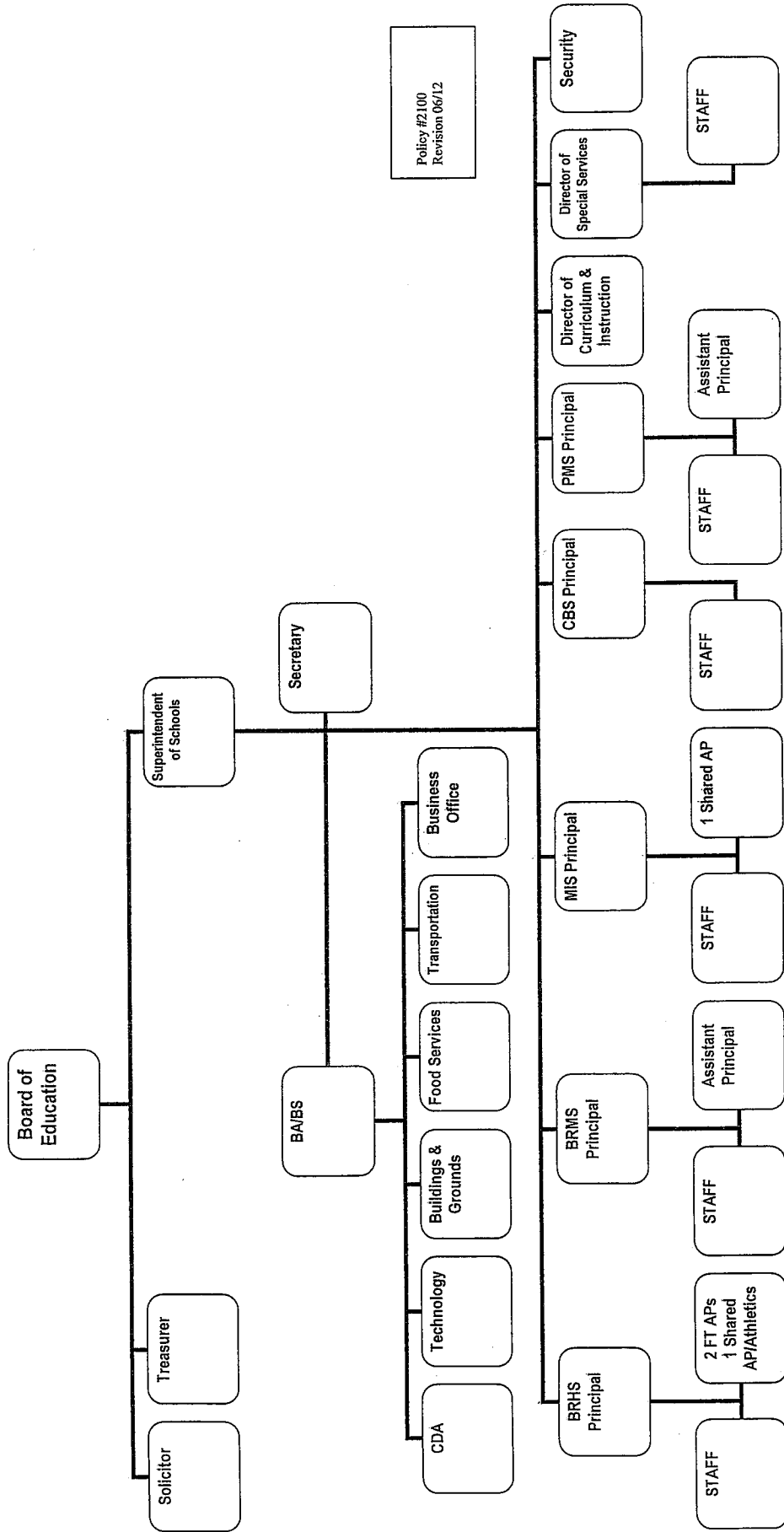
Respectfully submitted,



Dr. Edward Forsthoffer, III
Superintendent of Schools



Chifonda Henry, SBA
School Business Administrator/Board Secretary



Policy #2100
Revision 06/12

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BORDENTOWN REGIONAL SCHOOL DISTRICT

**318 WARD AVENUE
BORDENTOWN, NEW JERSEY 08505**

ROSTER OF OFFICIALS

June 30, 2020

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Eileen Francisco-Cabus, President	2020
Salvatore Schiano, Vice President	2021
Jamie Augustyn	2020
Howard Barman	2022
Mike James	2021
Aneka Miller	2021
Janet Nielsen	2020
Stephen Heberling	2022
Erike Worthy	2022

OTHER OFFICIALS

Dr. Edward Fortshoffer, III, Superintendent

Chifonda Henry, Business Administrator/Board Secretary

BORDENTOWN REGIONAL SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

Audit Firm

Holt McNally & Associates
David T. McNally, CPA
618 Stokes Road
Medford, New Jersey 08055

Attorney

Capehart Scatchard
8000 Midlantic Drive, Suite 3004
P.O. Box 5016
Mount Laurel, New Jersey 08054

OFFICIAL DEPOSITORY

PNC Bank
Bordentown, New Jersey 08505

TD Bank
1006 Astoria Boulevard
Cherry Hill, New Jersey 08034

Wells Fargo Bank
284 Dunns Mill Road
Bordentown, New Jersey 08505

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Bordentown Regional School District
County of Burlington
Bordentown, New Jersey 08505

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Bordentown Regional School District, County of Burlington, 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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Bordentown Regional School District, County of Burlington, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2021 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

David T. McNally
Certified Public Accountant
Public School Accountant, No. 20CS00261600

Medford, New Jersey
January 14, 2021

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Bordentown Regional School District's annual financial report presents a discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the Transmittal Letter at the beginning of this report and with the District's financial statements and accompanying notes, which immediately follow this section.

FINANCIAL HIGHLIGHTS:

Per Exhibit B-2, District revenues for the major governmental funds were \$52,055,170, with corresponding expenditures of \$50,613,148, which, after adjusting for other financing sources and (uses), generated a net excess/(deficiency) of revenues over/(under) expenditures of \$1,442,022. Last year's reported net excess/(deficiency) of revenues over/(under) expenditures was \$934,936. The increase of \$507,086 reflects a \$2,211,181 (4.4%) revenue growth, coupled with a corresponding \$1,713,243 (1.5%) increase in expenditures.

The significant contributors to the revenue growth were increases of \$894,778 in combined general purpose and debt service tax levies and \$938,982 from State Sources. The net increase in expenditures reflected various offsetting increases and decreases in operational costs, notably a combined \$585,961 increase in regular and special education instructional costs; and a \$346,772 increase in on-behalf payments that essentially offset a like increase in revenues from State Sources.

The reported State and Federal aid funding principally represented annual State aid based on enrollment and other factors, as well as other grant funds. The Individuals with Disabilities Education Act ("IDEA") and Every Student Succeeds Act ("ESSA") grants represented the two significant ongoing Federal funding resources for the District. IDEA helped to offset tuition costs for special education students requiring placement at outside settings best able to meet their needs, while ESSA helped to support Basic Skills Education, staff development, class size reduction, and English as a Second Language ("ESL") programs. Federal aid also included \$81,329 of reimbursements for services to Medicaid eligible special education students from State mandated participation in the Special Education Medicaid Initiative (SEMI) program.

The District has two bond series outstanding, consisting of the ("2016 Refunding Bonds") and the ("2010 School Bonds").

("2016 Refunding Bonds"): In July 2002, the District issued \$37,447,000 in bonds ("2002 School Bonds") to finance the building of a new high school and renovations to its other existing schools. These bonds were subsequently refinanced in 2006 ("2006 School Refunding Bonds"), and once again in 2016 ("2016 Refunding Bonds"). We anticipate saving approximately \$4,417,482 in cumulative debt service repayments (at approximately \$260,000 per year) on these 2016 School Refunding Bonds over their expected 17-year term to maturity at time of the refunding versus the prior required repayments under the predecessor 2006 School Refunding bonds.

("2010 School Bonds"): In March 2010 the District issued bonds, aggregating \$8,499,000, to fund completion of various renovations and improvements at the high school complex. Namely, installation of athletic fields and a photovoltaic (solar energy) system on the high school roof.

The capital improvement projects underlying these bond issues are completed. Currently, we use unexpected bond proceeds to offset annual bond repayments. Similarly, revenues from the sale of excess energy produced by the solar system, in the form of Solar Renewal Energy Certificates ("SREC's"), are used to partially offset ongoing operating costs.

New Accounting Standard(s)

As referenced under Note 1 to the financial statements, (“Summary of Significant Accounting Policies”), these financial statements reflect initial implementation of certain accounting pronouncements promulgated by the Governmental Accounting Standards Board, the body charged with developing generally accepted accounting principles for state and local governments. These new pronouncements, which collectively did not have a significant impact on the District’s financial results, were as follows:

- GASB Statement No. 83, *Certain Asset Retirement Obligations*.
- GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Payments*

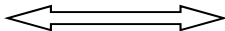
See Note 1 for additional information on the above statements and on five other statements that will become effective in future fiscal years.

OVERVIEW OF THE FINANCIAL STATEMENTS

The charts below illustrate the relationships of the District’s various reports.

ORGANIZATION OF THE DISTRICT'S ANNUAL FINANCIAL REPORT

<i>Management's Discussion And Analysis</i>	Basic Financial Statements	Required Supplementary Information
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District–Wide Financial Statements	Fund Financial Statements	<i>Notes to the Financial Statements</i>
Summary		Detail

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district–wide financial statements that provide both short–term and long–term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district and report on the District's operations in more detail than the district–wide statements. For example, the District has two Enterprise Funds – Food Service and Community District Alliance (“CDA”). These funds are broken out in detail in the fund financial statements but are combined into the overall District financial statements. The fund financial statements also show the changes in the Capital Projects fund, which is significant in our district.
- The Governmental Funds statements reports how basic services like regular and special education and overall operating expenses were financed for the school year, as well as an analysis of fund balance remaining for future spending or tax relief.
- Proprietary funds statements offer short and long–term financial information about the activities the district operates in a business-like manner, namely our Food Service and Community and District Alliance mentioned above.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others. In the Bordentown Regional School District, these include funds held for Unemployment Insurance, Scholarships, Student Activities, and Payroll Agency.
- The financial statements also include notes that further explain some of the information in the statements and provide more detailed data. The financial statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

- DISTRICT-WIDE STATEMENTS

MAJOR FEATURES OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

	District-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District Except Fiduciary funds	The activities of the district that are not proprietary or fiduciary such as special revenue and building maintenance	Activities the district operates like private businesses – Food Service and CDA	Instances in which the district administers resources on behalf of someone else such as scholarship programs and student activities monies.
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses, and changes in fund net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus	Accrual Accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long term.	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities, both short-term and long-term.
Type of inflow/outflow information.	All revenues and expenses during the year regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All revenues and expenses during the year, regardless of when cash is received or paid.

The district-wide statements report information about the District as a whole, using accounting methods like those used by private-sector companies. The statement of net position includes all the District's assets and liabilities. All the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The district-wide statements report the District's net position and how they have changed. Net position – the difference between the District's assets and liabilities – are one way to measure the District's financial

health or position. Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating. However, to more fully assess the overall financial health of the District; a reader should also consider other non-financial factors, such as changes in the District's property tax base; debt levels; and the condition of school buildings and other facilities.

In the district-wide financial statements, activities are divided into two categories:

- Governmental activities – Most of the district's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid finance most of these activities, with property taxes being the largest percentage of the revenue base.
- Business-type activities (“Enterprise Funds”) – This encompasses the District's food service and the Community District Alliance operations.

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on programs. The District's funds are those recognized in Generally Accepted Accounting Practices (GAAP) and are prescribed by law.

The District has three kinds of funds:

- Governmental funds – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out, and; (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent soon to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information is provided with the governmental funds statements to explain the relationship (or differences) between them.
- Proprietary funds – Services for which the District charges a fee are reported in proprietary funds. In Bordentown's case, these include the enterprise fund previously mentioned.
- Fiduciary funds include the Scholarship, Student Activity, and Payroll Agency funds – funds in which the district is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. These activities are excluded from the district-wide financial statements because the District cannot use these assets to finance other District operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

TABLE A-1 shows the comparison of the District's net position (Total Assets less Total Liabilities).

TABLE A-1
Bordentown Regional Net Position
(in 000 of dollars)

	Governmental Type Activities		Business Type Activities		School District Totals		% Change
	2019	2020	2019	2020	2019	2020	2019-2020
Current and other assets	6,215	7,553	1,036	681	7,251	8,234	13.6%
Capital Assets – Net	44,045	42,869	92	95	44,137	42,964	-2.7%
Deferred Outflows	4,438	3,398	-	-	4,438	3,398	-23.4%
Total Assets and Deferred Outflows	54,698	53,820	1,128	776	55,826	54,596	-2.2%
Long-term debt outstanding	46,774	43,401	-	-	46,774	43,401	-7.2%
Other liabilities	1,320	1,248	369	119	1,689	1,367	-19.1%
Deferred Inflows	4,561	4,498			4,561	4,498	-1.4%
Total liabilities	52,655	49,147	369	119	53,024	49,266	-7.1%
NET POSITION							
Net Investment in Capital Assets	13,513	14,524	92	95	13,605	14,619	7.5%
Restricted	4,533	5,970			4,533	5,970	31.7%
Unrestricted	(16,002)	(15,821)	667	562	(15,335)	(15,259)	-0.5%
Total net position	2,044	4,673	759	657	2,803	5,330	90.2%

Source: Exhibit A-1

As summarized above, the District's net position at June 30, 2020 improved by \$2,550,242 to \$5,330,544 over June 30, 2019, primarily reflecting lower outstanding debt levels.

TABLE A–2 shows the comparative changes in net position for both revenues and expenses, as well as total dollar and percentage changes.

TABLE A–2
Changes in Bordentown's Net Position
(in 000 of dollars)

	Governmental Activities		Business-Type Activities		School District Totals		% Change
	2019	2020	2019	2020	2019	2020	2019-2020
REVENUES:							
Program revenues:							
Charges for services	-	-	1,443	1,018	1,443	1,018	-29.45%
Federal, State and Local Cat. Grants			407	379	407	379	-6.88%
General revenues:					-	-	
Property taxes	32,659	33,228			32,659	33,228	1.74%
Federal or State Aid	20,595	19,362			20,595	19,362	-5.99%
Tuition	496	822			496	822	65.73%
Other	643	625			643	625	-2.80%
Total Revenues	54,393	54,037	1,850	1,397	56,243	55,434	-1.44%
EXPENSES							
Instruction Related	16,128	16,713			16,128	16,713	3.63%
Tuition	1,249	1,146			1,249	1,146	-8.25%
Student & Inst. Related Svcs	5,957	6,498			5,957	6,498	9.08%
Administrative Services	2,934	3,082			2,934	3,082	5.04%
Maintenance	4,017	3,819			4,017	3,819	-4.93%
Transportation	2,385	2,286			2,385	2,286	-4.15%
Transfer to Charter Schools	9	30	-	-	9	30	100.00%
Benefits	16,774	14,900			16,774	14,900	-11.17%
Other	3,114	2,933	1,741	1,498	4,855	4,431	-8.73%
Total expenses	52,567	51,407	1,741	1,498	54,308	52,905	-2.58%
Incr (decr) in net position	1,826	2,630	109	(101)	1,935	2,529	

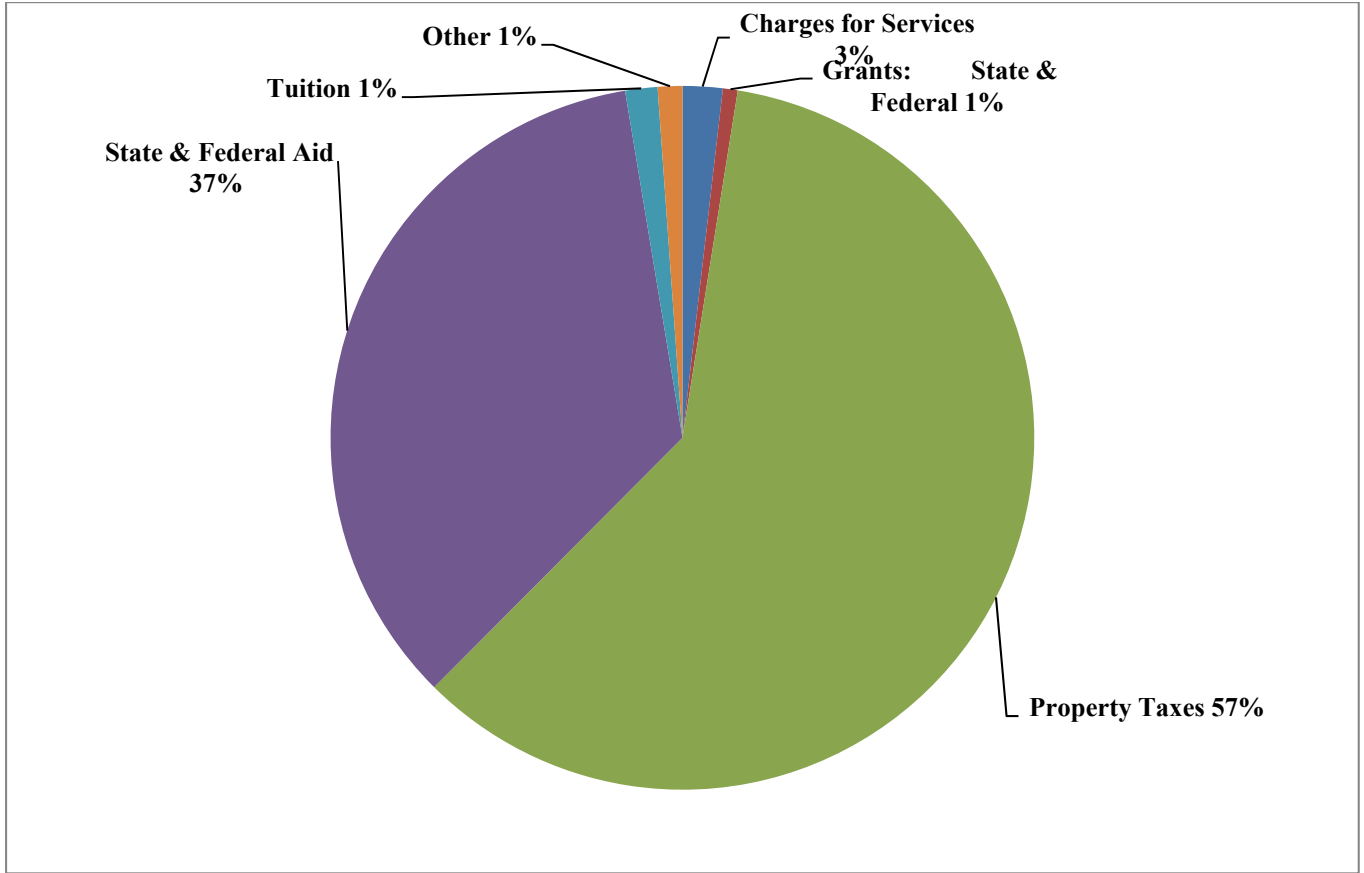
Sources: Exhibits A-2 and B-5 Note: Totals may not add due to rounding

Changes in net position – Governmental Activities: The increase (decrease) in net position improved by \$934,132, from \$1,834,819 to \$2,801,951. Property taxes, at approximately 68% and Federal/State aid, including on-behalf payments, at approximately 22% represented the largest revenue sources. At nearly half a million, individual tuition revenue, (primarily from a send-received arrangement with New Hanover to educate its high school students), provided an important alternative revenue resource. The decrease in expenditure is primarily from COVID 19 pandemic, primarily in the District’s instructional and operational expenses.

Changes in net position -- Business–Type Activities: The District's business activities are its food service operations that provide breakfast and lunch to students and the Community District Alliance (C.D.A.) which operates before–and–after–school care and summer programs, as well as manages an adult education grant program and operations of the high school’s performance arts center. On a combined basis, these activities reported an increase in net position primarily from improved cost efficiencies in food services.

Charts A–1 and A-2, illustrates total revenues and expenses, respectively, for Fiscal Year 2020 based on information from Table A-2. The distributions of revenue and costs shown are consistent with prior years.

2019-20 SCHOOL DISTRICT TOTAL REVENUES



2019-20 SCHOOL DISTRICT TOTAL EXPENSES

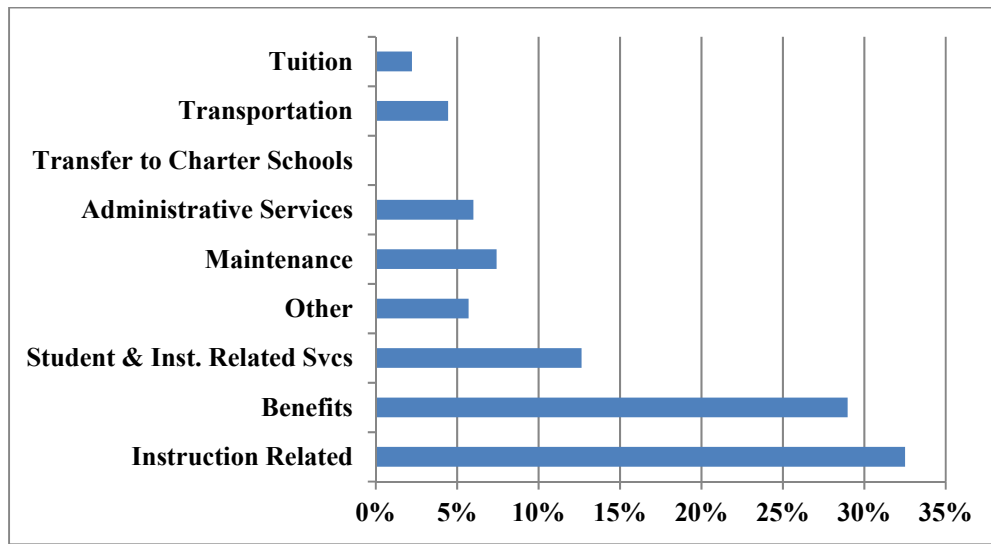


Table A-3 provides a comparative summary of the cost of all governmental activities (net of program revenues) for the school year.

TABLE A-3
Net Cost of Governmental Activities
(in 000 of dollars)

	Total Cost of Services		% Change	Net Cost of Services		% Change
	2019	2020	2019-2020	2019	2020	2019-2020
Instruction Related	16,128	16,713	3.63%	15,256	15,882	4.10%
Tuition	1,249	1,146	-8.25%	1,191	1,089	-8.56%
Stud.& Instr. Rel. Svs	5,957	6,498	9.08%	5,957	6,243	4.80%
Administrative Services	2,934	3,082	5.04%	2,934	3,081	5.01%
Maintenance	4,017	3,819	-4.93%	4,017	3,819	-4.93%
Transportation	2,385	2,286	-4.15%	2,385	2,287	-4.11%
Transfer to Charter Schools	9	29	100.00%	9	30	100.00%
Benefits	16,774	14,900	-11.17%	6,563	6,726	2.48%
Other	3,114	2,933	-5.81%	3,114	2,933	-5.81%
Total	52,567	51,406		41,426	42,090	

Sources: Exhibit A-2 Note: Totals may not add due to rounding

As shown in the table above, while total cost of services showed a decline, as explained for Table A-2, net cost of services showed an increase primarily in instructional related costs, with other costs offsetting.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS—BUDGETARY BASIS

As shown in Exhibit C-1, the combined fund balance of the General Fund was \$8,052,734 at June 30, 2020. Of that amount, (a) \$141,403 was reserved as encumbrances to be applied in 2021 for purchase orders outstanding at year end; (b) a combined \$573,494 was designated to support the 2020-21 budget; (c) \$2,125,199 was retained in Capital Reserves for use on future capital improvement projects, as applicable, (d) \$2,758,613 was set aside in Maintenance Reserves to help meet more immediate facility maintenance needs, as and if needed; (e) \$97,589 was set aside for future tuition adjustments; (f) \$150,000 was set aside in an Emergency Reserve to finance unanticipated general fund expenditures; (g) leaving a balance of \$1,342,902, net of the \$863,534 adjustment for the last two State Aid Payments Not Recognized on a GAAP basis, as undesignated for any other unexpected contingencies.

GENERAL FUND BUDGETARY HIGHLIGHTS

After adjusting for “on-behalf payments”¹, the net actual result shown in Exhibit C-1 for 2019-20 was \$3,560,662 favorable to budget. This primarily driven by a net favorable expenditure variance (expenses less than budgeted) of \$3,216,071, with net revenues contributing a favorable net variance of \$34,058.

Major contributors to the overall favorable expense variance included savings of: (a) net 731,559 in various regular instructional program costs; (b) 225,836 in overall out-of-district tuition costs, mostly from unanticipated favorable student census and/or placements; and (c) 15,354 in employee benefit costs, mostly from actual premium renewal rates for health benefits that were unexpectedly more favorable than the available estimates in developing the budget, coupled with demographic census changes during the year.

¹ On-behalf payments represent reimbursements from New Jersey State for pension, FICA, and related benefit costs incurred by the District; the District records both the reimbursements and the offsetting costs in its financial statements.

CAPITAL ASSET AND DEBT ADMINISTRATION

TABLE A-4 provides comparative information on the District’s capital assets.

TABLE A-4
Bordentown's Capital Assets
(net of depreciation, in 000 of dollars)

	Governmental Activities		Business Type Activities		Total School District		% Change
	2019	2020	2019	2020	2019	2020	2019-2020
Land	1,779	1,779	-	-	1,779	1,779	0.00%
Construction in Progress	174	509	-	-	174	509	-
Site Improvements	2,895	2,611	-	-	2,895	2,611	-9.81%
Buildings	36,102	35,967	-	-	36,102	35,967	-0.37%
Equipment and furniture	3,095	2,003	70	95	3,165	2,098	-33.71%
Total	44,045	42,869	70	95	44,115	42,964	-2.61%

Source: Note 5—“Capital Assets” Note: Totals may not add due to rounding

Capital assets include land and buildings for five schools, plus two other buildings used for transportation and auxiliary administrative services, as well as equipment and related furnishings. The district has undertaken various additions and/or improvements to its facilities over the years. This has included \$4,481,120 in renovations completed in the 2004-05 years; \$31,170,300 to build a new high school, opened in 2006; and \$8,499,000 for additional improvements to the high school, involving installation of athletic fields and a photovoltaic (solar energy) system on the school roof, completed in 2010. The District used bond issues to fund the high school construction and the subsequent high school improvements. All these projects are completed.

LONG TERM DEBT

TABLE A-5 provides comparative information on the District’s long-term debt obligations

TABLE A-5
Bordentown's Outstanding Long-Term Debt
(in 000 of dollars)

	Total School District		Total % Change
	2019	2020	2019-2020
General Obligation Bonds	28,754	26,754	-6.96%
Capital Leases	218	149	-31.65%
Unamortized Bond Premium	3,035	2,807	-7.51%
Deferred PERS Pension Payment	66	53	-19.70%
Compensated Absences	2,298	2,328	1.31%
Net Pension Liability	12,403	11,309	-8.82%
Total	46,774	43,400	-7.21%

Source: Note 7—“Long-Term Obligations” (Note: Totals may not add due to rounding)

The District ended the year with \$43,400,328 in outstanding long-term debt obligation, a net reduction of \$3,373,387 from the \$46,773,715 at the start of the year. The outstanding debts include general obligation

bonds issued for capital additions and other improvements in prior years, net pension liability representing the District's proportionate share of New Jersey State's pension obligations that the State requires each school district to reflect in their individual financial statements, and other long-term obligations as shown in the above table. The net reduction in outstanding obligations primarily reflect principal repayments in the normal course of the year, as well as, a reduction in the share of the net pension liability allocated to the District. With respect to the general obligation bonds, we utilize available unexpected bond proceeds from previously completed capital projects to offset annual bond debt service repayments, with \$50,000 applied for this purpose during 2018-19. [See the earlier Financial Highlights and subsequent Note 7 for additional information on the District's long-term obligations].

Of note, as a participant under New Jersey's Fund for Support of Free Public Schools, the District's general obligation bonds carry an A rating from Standard & Poor's Rating Service. However, the District received its own AA-1 underlying rating by Standard and Poor's, with an outlook upgrade from "Negative" to "Stable" based on their credit review in December 2015.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of no existing outstanding litigations or other circumstances that could significantly affect the District's financial health in the future. However, existing and/or proposed State and/or Federal legislation(s) are always a concern for their potential impact on New Jersey school districts' budgets in the face of continued increasing cost challenges. Illustrations of such challenges include limitations on school districts' undesignated surplus levels and their general fund tax levy growth, both benchmarked to 2%, as well as, the recent change in New Jersey State's approach for distributing aid to school districts going forward.

Current COVID-19 Pandemic: There remains considerable uncertainty about the overall impact of the COVID 19 pandemic on the district's operations and finances going forward. In the operational area, this could include greater disruptions to the usual in-school learning environment from unintended school closings. Examples of the financial impacts could include greater uncertainty with respect to future State Aid funding, coupled with a need for more strategic use of available emergency reserves; additional costs for providing enhanced personal health protections for staff and students, as well as additional instructional resources to accommodate learning in a more disruptive environment. For example, the district needed to revise its previously approved FY 2020-21 budget to accommodate a \$505,202 reduction in previously expected State aid as well as to plan for unanticipated newly required personal protection resources.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, vendors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have any questions about this report or desire additional financial information, please contact the School Business Administrator, Bordentown Regional School District, 318 Ward Avenue, Bordentown, New Jersey, 08505, or call 609/298-0025, ext. 1204.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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BORDENTOWN REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
ASSETS			
Cash & Cash Equivalents	\$ 1,030,722	\$ 655,555	\$ 1,686,277
Receivables, Net	1,274,135	25,290	1,299,425
Restricted Cash & Cash Equivalents	5,246,823	-	5,246,823
Capital Assets, Net (Note 5)	42,869,964	94,976	42,964,940
Total Assets	50,421,644	775,821	51,197,465
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflows Related to Pensions (Note 8)	2,033,222	-	2,033,222
Unamortized Charge on Refunding of Debt	1,364,576	-	1,364,576
Total Deferred Outflow of Resources	3,397,798	-	3,397,798
Total Assets and Deferred Outflow of Resources	53,819,442	775,821	54,595,263
LIABILITIES			
Accounts Payable	36,459	22,546	59,005
Due to Other Governments (Note 8)	647,735	-	647,735
Unearned Revenue	60,893	95,806	156,699
Accrued Interest Payable	502,648	-	502,648
Noncurrent Liabilities (Note 7):			
Due Within One Year	2,410,639	-	2,410,639
Due Beyond One Year	40,989,690	-	40,989,690
Total Liabilities	44,648,064	118,352	44,766,416
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	4,498,303	-	4,498,303
Total Deferred Inflows of Resources	4,498,303	-	4,498,303
Total Liabilities and Deferred Inflow of Resources	49,146,367	118,352	49,264,719
NET POSITION			
Net Investment in Capital Assets	14,524,053	94,976	14,619,029
Restricted For:			
Capital Projects	2,390,327	-	2,390,327
Excess Surplus	573,494	-	573,494
Maintenance Reserve	2,758,613	-	2,758,613
Emergency Reserve	150,000	-	150,000
Tuition Reserve	97,589	-	97,589
Unrestricted	(15,821,001)	562,493	(15,258,508)
Total Net Position	\$ 4,673,075	\$ 657,469	\$ 5,330,544

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 11,249,003	\$ -	\$ -	(11,249,003)	\$ -	(11,249,003)
Special Education	3,716,823	-	831,671	(2,885,152)	-	(2,885,152)
Other Instructional	855,949	-	-	(855,949)	-	(855,949)
School Sponsored	891,595	-	-	(891,595)	-	(891,595)
Support Services & Undistributed Costs:						
Tuition	1,145,831	-	56,413	(1,089,418)	-	(1,089,418)
Student & Instruction Related Services	5,768,915	-	254,236	(5,514,679)	-	(5,514,679)
Health Services	458,902	-	-	(458,902)	-	(458,902)
Educational Media Services/School Library	269,557	-	-	(269,557)	-	(269,557)
School Administrative Services	1,656,965	-	-	(1,656,965)	-	(1,656,965)
General Administration	601,789	-	-	(601,789)	-	(601,789)
Central Services	441,179	-	-	(441,179)	-	(441,179)
Administrative Information Technology	380,927	-	-	(380,927)	-	(380,927)
Plant Operations & Maintenance	3,819,478	-	-	(3,819,478)	-	(3,819,478)
Pupil Transportation	2,286,504	-	-	(2,286,504)	-	(2,286,504)
Transfer to Charter Schools	29,960	-	-	(29,960)	-	(29,960)
Unallocated Benefits	8,136,550	-	1,410,868	(6,725,682)	-	(6,725,682)
On Behalf TPAF Pension and Social Security Contributions	6,763,164	-	6,763,164	-	-	-
Interest on Long-Term Debt and Other Charges	1,188,361	-	-	(1,188,361)	-	(1,188,361)
Unallocated Depreciation	1,745,061	-	-	(1,745,061)	-	(1,745,061)
Total Governmental Activities	51,406,514	-	9,316,352	(42,090,162)	-	(42,090,162)
Business-Type Activities:						
Food Service	568,676	300,405	308,575	-	40,304	40,304
Community District Alliance	929,104	717,414	70,162	-	(141,528)	(141,528)
Total Business-Type Activities	1,497,780	1,017,819	378,737	-	(101,224)	(101,224)
Total Primary Government	\$ 52,904,294	\$ 1,017,819	\$ 9,695,089	\$ (42,090,162)	\$ (101,224)	\$ (42,191,386)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				30,261,873	-	30,261,873
Taxes Levied for Debt Service				2,965,990	-	2,965,990
Federal & State Aid Not Restricted				9,957,602	-	9,957,602
Federal & State Aid Restricted				88,087	-	88,087
Tuition Received				821,650	-	821,650
Transportation				54,557	-	54,557
Rents and Royalties				1,175	-	1,175
Miscellaneous Income				762,090	-	762,090
Adjustment to Capital Assets				(193,045)	-	(193,045)
Total General Revenues, Special Items, Extraordinary Items & Transfers				44,719,979	-	44,719,979
Change In Net Position				2,629,817	(101,224)	2,528,593
Net Position - Beginning				2,043,258	758,693	2,801,951
Net Position - Ending				\$ 4,673,075	\$ 657,469	\$ 5,330,544

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

B. Fund Financial Statements

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Governmental Funds

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash & Cash Equivalents	\$ 1,109,014	\$ -	\$ -	\$ -	\$ 1,109,014
Receivables from Other Governments	437,724	91,534	-	-	529,258
Due from Other Funds	196	98	-	-	294
Receivables, Net	692,153	-	-	52,724	744,877
Restricted Cash & Cash Equivalents	4,981,401	-	265,422	-	5,246,823
Total Assets	\$ 7,220,488	\$ 91,632	\$ 265,422	\$ 52,724	\$ 7,630,266
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 25,568	\$ -	\$ 52,724	\$ 78,292
Unearned Revenue	-	60,893	-	-	60,893
Accounts Payable	31,288	5,171	-	-	36,459
Due to Other Funds	-	-	294	-	294
Total Liabilities	31,288	91,632	294	52,724	175,938
Fund Balances:					
Restricted for:					
Capital Reserve Account	2,125,199	-	-	-	2,125,199
Maintenance Reserve Account	2,758,613	-	-	-	2,758,613
Emergency Reserve	150,000	-	-	-	150,000
Tuition Reserve	97,589	-	-	-	97,589
Excess Surplus - Designated for Subsequent Year's Expenditures	563,729	-	-	-	563,729
Excess Surplus	9,765	-	-	-	9,765
Capital Projects Fund	-	-	265,128	-	265,128
Assigned to:					
Other Purposes	141,403	-	-	-	141,403
Designated for Subsequent Year's Expenditures	1,342,902	-	-	-	1,342,902
Total Fund Balances	7,189,200	-	265,128	-	7,454,328
Total Liabilities & Fund Balances	\$ 7,220,488	\$ 91,632	\$ 265,422	\$ 52,724	

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 \$76,753,220 and the accumulated depreciation is \$33,883,256 (See Note 5).	42,869,964
Long-term liabilities, including bonds payable, compensated absences payable and capital leases payable are not due and payable in the current period and, therefore, are not reported as liabilities in the funds (See Note 7).	(29,283,712)
Deferred charge on School Refunding Bonds (amortized as interest expense).	
Deferred Charge	1,765,815
Less: Accumulated Amortization	(401,239)
Premium on Bonds (amortized as a credit to interest expense).	
Deferred Charge	(3,642,105)
Less: Accumulated Amortization	834,649
Accrued interest payable is not due and payable in the current period and, therefore, is not reported as a liability in the funds.	(502,648)
Accrued pension contributions for the June 30, 2020 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(647,735)
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.	
Net pension liability	(11,309,161)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows	2,033,222
Deferred inflows	(4,498,303)
Net Position of Governmental Activities	\$ 4,673,075

**BORDENTOWN REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS GOVERNMENTAL FUNDS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 30,261,873	\$ -	\$ -	\$ 2,965,990	\$ 33,227,863
Tuition	821,650	-	-	-	821,650
Transportation	54,557	-	-	-	54,557
Rents and Royalties	1,175	-	-	-	1,175
Miscellaneous	762,090	408,519	-	-	1,170,609
Total Local Sources	31,901,345	408,519	-	2,965,990	35,275,854
State Sources	15,673,011	-	-	203,088	15,876,099
Federal Sources	81,329	821,888	-	-	903,217
Total Revenues	47,655,685	1,230,407	-	3,169,078	52,055,170
Expenditures:					
Current Expense:					
Regular Instruction	11,249,003	-	-	-	11,249,003
Special Education Instruction	2,885,152	831,671	-	-	3,716,823
Other Instruction	855,949	-	-	-	855,949
School Sponsored	891,595	-	-	-	891,595
Support Services:					
Tuition	1,145,831	-	-	-	1,145,831
Health Services	458,902	-	-	-	458,902
Student & Instruction Related Services	5,514,679	254,236	-	-	5,768,915
Educational Media Services/School Library	269,557	-	-	-	269,557
General Administration	601,789	-	-	-	601,789
School Administration	1,656,965	-	-	-	1,656,965
Central Services	441,179	-	-	-	441,179
Administrative Information Technology	380,927	-	-	-	380,927
Plant Operations & Maintenance	3,923,518	-	-	-	3,923,518
Pupil Transportation	2,286,504	-	-	-	2,286,504
Unallocated Employee Benefits	6,809,451	56,413	-	-	6,865,864
On Behalf TPAF Pension and Social Security					
Contributions	5,999,826	-	-	-	5,999,826
Debt Service:					
Principal	-	-	-	2,000,000	2,000,000
Interest & Other Charges	117,685	-	-	1,219,078	1,336,763
Capital Outlay	675,150	88,087	-	-	763,237
Total Expenditures	46,163,663	1,230,407	-	3,219,078	50,613,148
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	1,492,022	-	-	(50,000)	1,442,022
Other Financing Sources/(Uses):					
Proceeds from Capital Lease	34,984	-	-	-	34,984
Transfers to Charter Schools	(29,960)	-	-	-	(29,960)
Transfers In/(Out)	-	-	(50,000)	50,000	-
Total Other Financing Sources/(Uses)	5,024	-	(50,000)	50,000	5,024
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing (Uses)	1,497,046	-	(50,000)	-	1,447,046
Fund Balance July 1,	5,692,154	-	315,128	-	6,007,282
Fund Balances June 30,	\$ 7,189,200	\$ -	\$ 265,128	\$ -	\$ 7,454,328

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

**BORDENTOWN REGIONAL 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) \$ 1,447,046

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:

Depreciation Expense	\$ (1,745,061)	
Adjustment to Capital Assets	(193,045)	
Capital Outlay	763,237	(1,174,869)

Repayment of bond principal and 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 not reported in the statement of activities.

Payment of Bond Principal	2,000,000	
Payment of Capital Leases	104,040	
Payment of Deferred Pension Obligation	13,185	2,117,225

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.

Capital Lease Proceeds		(34,984)
------------------------	--	----------

In the statement of net position, amortization of bond premium is capitalized and earned over the life of the bonds. In the governmental funds, bond premium is reported as revenue.

227,632

In the statement of net position, deferred charges associated with refunding bonds are capitalized and amortized over the life of the bonds. In the governmental funds, these deferred charges are not recorded.

(110,363)

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.

Prior Year	533,781	
Current Year	(502,648)	31,133

Decrease in compensated absences is not an expenditure in the governmental funds, but increases long-term liabilities in the statement of net position and is not reported in the statement of activities.

Prior Year	2,297,667	
Current Year	(2,327,608)	(29,941)

District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

Pension Expense - PERS Contribution - 2020	610,511	
Pension Expense	(453,573)	156,938

Change in Net Position of Governmental Activities \$ 2,629,817

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Proprietary Funds

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES		
	ENTERPRISE FUNDS		
	FOOD SERVICE FUND	COMMUNITY DISTRICT ALLIANCE	TOTAL
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 355,669	\$ 299,886	\$ 655,555
Accounts Receivable	17,377	7,913	25,290
Total Current Assets	373,046	307,799	680,845
Noncurrent Assets:			
Equipment	531,534	36,288	567,822
Accumulated Depreciation	(468,867)	(3,979)	(472,846)
Total Capital Assets	62,667	32,309	94,976
Total Assets	435,713	340,108	775,821
LIABILITIES			
Current Liabilities:			
Accounts Payable	22,504	42	22,546
Unearned Revenue	27,813	67,993	95,806
Total Current Liabilities	50,317	68,035	118,352
Total Liabilities	50,317	68,035	118,352
NET POSITION			
Net Investment in Capital Assets	62,667	32,309	94,976
Unrestricted Net Position	322,729	239,764	562,493
Total Net Position	\$ 385,396	\$ 272,073	\$ 657,469

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES		TOTAL
	ENTERPRISE FUNDS		
	FOOD SERVICE FUND	COMMUNITY DISTRICT ALLIANCE	
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 193,877	\$ -	\$ 193,877
Daily Sales - Nonreimbursable Programs	106,528	-	106,528
Program Fees	-	717,414	717,414
Total Operating Revenue	300,405	717,414	1,017,819
Operating Expenses:			
Salaries & Employee Benefits	-	772,082	772,082
Supplies and Materials	-	37,504	37,504
Other Purchased Services	519,286	104,485	623,771
Depreciation	19,489	3,979	23,468
Miscellaneous Expense	25,922	15,033	40,955
Total Operating Expenses	564,697	933,083	1,497,780
Operating (Loss)/Gain	(264,292)	(215,669)	(479,961)
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	5,618	-	5,618
Adult Basic Skill Program	-	70,162	70,162
Federal Sources:			
National School Lunch Program	180,962	-	180,962
National School Breakfast Program	69,419	-	69,419
Healthy Hunger-Free Kids Act	7,451	-	7,451
Food Distribution Program	45,125	-	45,125
Total Nonoperating Revenues	308,575	70,162	378,737
Net Income/(Loss)	44,283	(145,507)	(101,224)
Other Financing Sources/(Uses):			
Operating Transfer In/(Out):			
Capital Asset Contributions	(21,649)	21,649	-
Total Other Financing Sources/(Uses)	(21,649)	21,649	-
Change in Net Position	22,634	(123,858)	(101,224)
Total Net Position - Beginning	362,762	395,931	758,693
Total Net Position - Ending	\$ 385,396	\$ 272,073	\$ 657,469

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	FOOD SERVICE FUND	COMMUNITY DISTRICT ALLIANCE	TOTAL
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 310,964	\$ 481,364	\$ 792,328
Payments to Employees	-	(660,757)	(660,757)
Payments for Employee Benefits	-	(111,325)	(111,325)
Payment to Suppliers	(565,183)	(160,498)	(725,681)
Net Cash Provided/(Used) by Operating Activities	(254,219)	(451,216)	(705,435)
Cash Flows From Investing Activities:			
Purchase of Equipment	(11,715)	(14,639)	(26,354)
Net Cash Provided by Investing Activities	(11,715)	(14,639)	(26,354)
Cash Flows From Noncapital Financing Activities:			
State Sources	5,618	81,046	86,664
Federal Sources	302,957	-	302,957
Net Cash Provided by Noncapital Financing Activities	308,575	81,046	389,621
Net Increase/(Decrease) in Cash & Cash Equivalents	42,641	(384,809)	(342,168)
Cash and Cash Equivalents, July 1	313,028	684,695	997,723
Cash & Cash Equivalents, June 30	\$ 355,669	\$ 299,886	\$ 655,555
RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:			
Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	\$ (264,292)	\$ (215,669)	\$ (479,961)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	19,489	3,979	23,468
Change in Assets & Liabilities:			
(Increase)/Decrease in Accounts Receivable, Net	2,120	-	2,120
(Increase)/Decrease in Accounts Payable	(19,975)	(3,476)	(23,451)
Increase/(Decrease) in Deferred Revenue	8,439	(236,050)	(227,611)
Total Adjustments	10,073	(235,547)	(225,474)
Net Cash Provided/(Used) by Operating Activities	\$ (254,219)	\$ (451,216)	\$ (705,435)

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

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Fiduciary Fund

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>TRUST FUNDS</u>		<u>AGENCY FUNDS</u>		<u>TOTAL</u>
	<u>UNEMPLOYMENT COMPENSATION TRUST</u>	<u>SCHOLARSHIP FUND</u>	<u>STUDENT ACTIVITY</u>	<u>PAYROLL FUND</u>	
ASSETS					
Cash & Cash Equivalents	\$ 37,083	\$ 142,867	\$ 255,472	\$ 293,320	\$ 728,742
Total Assets	<u>\$ 37,083</u>	<u>\$ 142,867</u>	<u>\$ 255,472</u>	<u>\$ 293,320</u>	<u>\$ 728,742</u>
LIABILITIES					
Payroll Deductions & Withholdings	\$ -	\$ -	\$ -	\$ 293,320	\$ 293,320
Due to Student Groups	-	-	255,472	-	255,472
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 255,472</u>	<u>\$ 293,320</u>	<u>548,792</u>
NET POSITION					
Held in Trust for Unemployment					
Claims & Other Purposes	37,083	-			37,083
Reserved for Scholarships	-	142,867			142,867
Total Net Position	<u>\$ 37,083</u>	<u>\$ 142,867</u>			<u>\$ 179,950</u>

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	UNEMPLOYMENT COMPENSATION INSURANCE		
	TRUST FUND	SCHOLARSHIPS	TOTAL
ADDITIONS:			
Local Sources:			
Contributions	\$ 36,689	\$ 12,000	\$ 48,689
Total Contributions	36,689	12,000	48,689
Investment Earnings:			
Interest on Investments	91	1,527	1,618
Total Investment Earnings	91	1,527	1,618
Total Additions	36,780	13,527	50,307
DEDUCTIONS:			
Unemployment Claims	26,384	-	26,384
Scholarship Payments	-	12,844	12,844
Total Deductions	26,384	12,844	39,228
Change in Net Position	10,396	683	11,079
Net Position - Beginning of Year	26,687	142,184	168,871
Net Position - End of Year	\$ 37,083	\$ 142,867	\$ 179,950

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

BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies

The financial statements of the Board of Education of Bordentown Regional School District (the ‘District’) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

Reporting Entity

The Bordentown Regional School District (hereafter referred to as the “District”) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the District is to educate students in grades kindergarten through twelfth at its five schools. The District has an approximate enrollment at June 30, 2020 of 2,432 students.

The primary criterion for including activities within the District’s reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name);
- ◆ the District holds the corporate powers of the organization;
- ◆ the District appoints a voting majority of the organization’s board
- ◆ the District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District.

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

Component Units

GASB Statement No.14, The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, and GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14. The District had no component units as of for the year ended June 30, 2020.

Government-Wide Financial Statements

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

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the District’s assets, deferred outflows of resources, liabilities, and

BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

Note 1. Summary of Significant Accounting Policies (continued):

deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

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

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

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

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District's fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund and C.D.A program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the 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 which are classified in the Capital Outlay sub-fund.

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

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

Community District Alliance (C.D.A.) – This fund accounts for the revenues and expenses pertaining to the District’s before-and-after school and summer programs; adult education under a grant; as well as operation of the performing arts center.

Additionally, the District reports the following major fiduciary funds:

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

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

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

Agency Funds - Agency funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity’s own operating programs. The district currently maintains Payroll funds and Student Activity Funds as Agency Funds.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

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

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

Note 1. Summary of Significant Accounting Policies (continued):

Encumbrances

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

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

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

Cash and Cash Equivalents

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

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2020 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

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

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

BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

Note 1. Summary of Significant Accounting Policies (continued):

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2020.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

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

- Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws 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.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2020:

Statement No. 95, Postponement of The Effective Dates of Certain Authoritative Guidance, provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Recently Issued Accounting Pronouncements

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

- Statement No. 84, *Fiduciary Activities* will be effective for reporting periods beginning after December 15, 2019.
- Statement No. 87, *Leases* will be effective for reporting periods beginning after June 15, 2021.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* will be effective for reporting periods beginning after December 15, 2020.
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, will be effective for reporting periods beginning after December 15, 2019.
- Statement No. 91, *Conduit Debt Obligations* will be effective for reporting periods beginning after December 15, 2021.
- Statement No. 93, *Replacement of Interbank Offered Rates* will be effective for reporting periods beginning after June 15, 2021.
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* will be effective for reporting periods beginning after June 15, 2022.
- Statement No. 96, *Subscription-Based Information Technology Arrangements* will be effective for reporting periods beginning after June 15, 2022.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, will be effective for reporting periods beginning after December 15, 2019.

Management has not yet determined the potential impact on the School Districts financial statements.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies (continued):

Bond Premiums, Discounts and Issuance Costs

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

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

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2020, the District’s bank balance of \$8,130,590 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	7,371,539
Uninsured and Uncollateralized		759,051
		\$ 8,130,590

Investments

The School District has no investments at June 30, 2020.

Note 3. Reserve Accounts

A. Capital Reserve

A capital reserve account was established by the School District by inclusion of \$10,000 on June 30, 2002 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 3. Reserve Accounts (continued)

A. Capital Reserve (continued)

The activity of the capital reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019	\$	1,935,000
Increased by:		
Interest Earnings		1,991
Deposits approved by Board		398,009
Excess Capital Projects funds		<u>190,199</u>
Decreased by:		
Budget Withdrawals		<u>(400,000)</u>
Ending Balance, June 30, 2020	\$	<u><u>2,125,199</u></u>

The June 30, 2020 balance did not exceed the LRFPP balance of local support costs of uncompleted capital projects.

B. Maintenance Reserve Account

The District established a Maintenance Reserve Account for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The Maintenance Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the District's approved Maintenance Plan (M-1). A district may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

The activity of the maintenance reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019	\$	1,590,073
Increased by:		
Interest Earnings		1,933
Deposits approved by Board		<u>1,266,607</u>
Budget Withdrawals		<u>(100,000)</u>
Ending Balance, June 30, 2020	\$	<u><u>2,758,613</u></u>

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 3. Reserve Accounts (continued)

C. Tuition Reserve

The District established a Tuition Reserve Account in accordance with N.J.A.C. 6A:23-3.1(f) for tuition between two Boards of Education that are in a formal sending/receiving relationship. The maximum amount that may be restricted at year end is 10% of the estimated contract year. Upon certification of tuition rates in the second year following the contract year, full appropriation of the applicable year's reserve must be liquidated and any remaining balance related to that year must be reserved and budgeted for tax relief. The District's tuition reserve was established by board resolution in June of 2017 and will be used to pay for any tuition adjustments for the fiscal year ending June 30, 2020.

The activity of the tuition reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019	\$	86,000
Increased by:		
Deposits approved by Board		51,589
		137,589
Decreased by:		
Budget Withdrawals		(40,000)
Ending Balance, June 30, 2020	<u>\$</u>	<u>97,589</u>

D. Emergency Reserve

The School District established an emergency reserve account in the 2019-2020 school year for the accumulation of funds for use in accordance with N.J.S.A. 18A: 7F-41c(1) to finance unanticipated general fund expenditures.

Beginning Balance, July 1, 2019	\$	-
Increased by:		
Deposits approved by Board		150,000
Ending Balance, June 30, 2020	<u>\$</u>	<u>150,000</u>

Note 4. Accounts Receivable

Accounts receivable at June 30, 2020 consisted of accounts and intergovernmental grants. All state and federal 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 as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 4. Accounts Receivable (continued)

Description	Governmental Funds				Total Governmental Activities	Proprietary Funds		Total Business-Type Activities
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund		Food Service Fund	Community District Alliance Fund	
Federal Awards	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,114	\$ -	\$ 17,114
State Awards	422,313	-	-	-	422,313	263	7,913	8,176
Tuition	15,411	-	-	-	15,411	-	-	-
Other	692,153	91,534	-	52,724	836,411	-	-	-
Total	\$ 1,129,877	\$ 91,534	\$ -	\$ 52,724	\$ 1,274,135	\$ 17,377	\$ 7,913	\$ 25,290

Note 5. Capital Assets

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

	Balance July 1, <u>2019</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Retirements</u>	Balance June 30, <u>2020</u>
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 1,779,651	\$ -	\$ -	\$ -	\$ 1,779,651
Construction in Progress	174,257	334,836	-	-	509,093
Total Capital Assets not being depreciated	1,953,908	334,836	-	-	2,288,744
Capital Assets being depreciated:					
Land Improvements	7,453,125	-	(2,280)	(9,078)	7,441,767
Buildings and Improvements	58,829,057	236,700	778,272	-	59,844,029
Equipment	8,422,440	191,701	(987,399)	(448,062)	7,178,680
Total Capital Assets being depreciated	74,704,622	428,401	(211,407)	(457,140)	74,464,476
Less: Accumulated Depreciation:					
Land Improvements	(4,558,319)	(281,213)	-	9,078	(4,830,454)
Buildings and Improvements	(22,727,735)	(1,148,662)	-	-	(23,876,397)
Equipment	(5,327,643)	(315,186)	18,362	448,062	(5,176,405)
Total Accumulated Depreciation	(32,613,697)	(1,745,061)	18,362	457,140	(33,883,256)
Total Capital Assets being depreciated, net	42,090,925	(1,316,660)	(193,045)	-	40,581,220
Total Governmental Activities Capital Assets, net	\$ 44,044,833	\$ (981,824)	\$ (193,045)	\$ -	\$ 42,869,964

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 5. Capital Assets (continued)

	Balance June 30, <u>2019</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Retirements</u>	Balance June 30, <u>2020</u>
Business-Type Activities:					
Equipment	\$ 545,672	\$ 26,354	\$ -	\$ (4,204)	\$ 567,822
	<u>545,672</u>	<u>26,354</u>	<u>-</u>	<u>(4,204)</u>	<u>567,822</u>
Less: Accumulated Depreciation:					
Equipment	(453,582)	(23,468)		4,204	(472,846)
	<u>(453,582)</u>	<u>(23,468)</u>	<u>-</u>	<u>4,204</u>	<u>(472,846)</u>
Total Business-Type Activities Capital Assets, net	\$ 70,441	\$ 2,886	\$ -	\$ -	\$ 94,976

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2020 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 196	\$ -
Special Revenue Fund	98	-
Capital Projects Fund	-	294
	<u>\$ 294</u>	<u>\$ 294</u>

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

Note 7. Long-Term Obligations

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

	Balance <u>June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2020</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 28,754,000	\$ -	\$ 2,000,000	\$ 26,754,000	\$ 2,085,000
Capital Leases	218,087	34,984	104,040	149,031	98,007
Unamortized Bond Premiums	3,035,087	-	227,632	2,807,455	227,632
Compensated Absences	2,297,668	29,940	-	2,327,608	-
Net Pension Liability	12,402,615	-	1,093,454	11,309,161	-
Deferred PERS Pension Obligation	66,258	-	13,184	53,074	-
	<u>\$ 46,773,715</u>	<u>\$ 64,924</u>	<u>\$ 3,438,310</u>	<u>\$ 43,400,329</u>	<u>\$ 2,410,639</u>

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences and capital leases are liquidated by the general fund.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 7. Long-Term Obligations (continued)

A. Bonds Payable:

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. At June 30, 2020, bonds payable consisted of the following individual issues:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
2010 School Bonds	1.50% - 3.50%	3/1/2025	\$ 8,499,000	\$ 3,699,000
2016 Refunding Bonds	3.00% - 5.00%	1/15/2033	27,355,000	<u>23,055,000</u>
				<u>\$ 26,754,000</u>

Principal and Interest due on the outstanding bonds is as follows:

Fiscal Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30,</u>			
2021	2,085,000	1,143,765	3,228,765
2022	2,160,000	1,063,865	3,223,865
2023	2,220,000	967,115	3,187,115
2024	2,270,000	867,365	3,137,365
2025	2,359,000	765,115	3,124,115
2026-2030	9,325,000	2,420,750	11,745,750
2031-2033	6,335,000	446,300	6,781,300
	<u>\$ 26,754,000</u>	<u>\$ 7,674,275</u>	<u>\$ 34,428,275</u>

Bonds Authorized But Not Issued:

As of June 30, 2020, the District had no authorized but not issued bonds.

B. Deferred PERS Pension Obligation

In accordance with P.L. 2010, c19, districts could elect to defer 50 % of the 2008-09 regular PERS pension liability. The district elected to defer 50%, amounting to \$137,303, by resolution dated May 6, 2009. The district began repaying the deferred amount in April 2012, over 15 years. The total payment for the April 2020 bill amounted to \$21,874 with \$13,185 attributed to principal. The amount to be paid will fluctuate based on pension system investment earnings. The liability accrues interest at “regular interest” rates as defined by N.J.S.A. 43:15A-24b which is currently 8.25%. Districts are permitted to pay off the obligation at any time.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 7. Long-Term Obligations (continued):

C. Capital Lease Payable:

The District approved a lease purchase agreement in 2014-15 year in the amount of \$525,000 at a 1.67 interest rate maturing October 1, 2021 to finance the acquisition of a six 54 passenger school buses. The District also approved a lease purchase agreement in 2019-20 year in the amount of \$34,984 at a 6.20% interest rate maturing November 27, 2021 to finance the acquisition of a maintenance truck. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2020:

Fiscal Year Ending <u>June 30,</u>		
2021	\$	98,007
2022		<u>55,172</u>
Total Minimum Lease Payments		153,179
Less: Amount Representing Interest		<u>(4,148)</u>
Present Value of Minimum Lease Payments		<u>\$ 149,031</u>

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2020, the School District reported a liability of \$11,309,161 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019.

The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The School District's proportion measured as of June 30, 2019, was .06276%, which was a decrease of .00023% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized full accrual pension expense of \$453,573 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date. At June 30, 2020 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 202,985	\$ 49,959
Changes of Assumptions	1,129,261	3,925,374
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	178,520
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	53,241	344,450
School District contributions subsequent to measurement date.	647,735	-
	\$ 2,033,222	\$ 4,498,303

\$647,735 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2019-2020 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2021 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending Dec 31,	Amount
2020	\$ (544,591)
2021	(946,070)
2022	(1,092,935)
2023	(481,550)
2024	(47,670)
	\$ (3,112,816)

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
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, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Actuarial Assumptions – The collective 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 assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Age
Thereafter	3.00 - 7.00% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

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, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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. Best estimates of arithmetic 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%
U.S. 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 total pension liability was 6.28% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be 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.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate.

	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
District's Proportionate Share of the Net Pension Liability	\$ 14,384,686	\$ 11,309,161	\$ 8,862,563

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 3,149,552,616.00	\$ 4,684,852,302.00
Collective Deferred Inflows of Resources	\$ 7,645,087,574.00	\$ 7,646,736,226.00
Collective Net Pension Liability	\$ 18,143,832,135.00	\$ 19,689,501,539.00
School District's portion	0.06276%	0.06299%

B. Teachers' Pension and Annuity Fund (TPAF)

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

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2019 was \$93,249,816. The School District's proportionate share was \$0.

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, which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was .15194%, which was a decrease of .00023% from its proportion measured as of June 30, 2018.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

For the fiscal year ended June 30, 2020, the School District recognized \$5,500,123 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2019 measurement date.

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	2.25%
Salary Increases:	
2012-2026	1.55% - 4.55%
Thereafter	1.55% - 4.55%
 Investment Rate of Return	 7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-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, 2019 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. 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:

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

<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%
U.S. 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 total pension liability was 5.6% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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 of the Net Pension Liability to Changes in the Discount Rate – The following represents the net pension liability of the State as of June 30, 2019 calculated using the discount rate disclosed above as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

	At 1% Decrease <u>(4.60%)</u>	Current Discount Rate <u>(5.60%)</u>	At 1% Increase <u>(6.60%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	109,962,172	93,249,816	79,383,837

Pension Plan Fiduciary Net Position - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 10,129,162,237	\$ 12,675,037,111
Collective Deferred Inflows of Resources	17,736,240,054	16,381,811,884
Collective Net Pension Liability	61,519,112,443	19,689,501,539
School District's portion	0.15194%	0.15136%

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

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

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

For the year ended June 30, 2020 employee contributions total \$37,071 and the District recognized pension expense of \$20,272.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

Basis of Presentation

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2018. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 3.05% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	1.55 - 3.05% based on years of service	3.00 - 7.00% based on years of service	Applied to all future years

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality 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.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$71,484,303. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2019, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the OPEB Obligation attributable to the School District was 0.17130572%, which was a decrease of 0.0005881% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized an OPEB expense in the amount of \$1,410,868 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2019 measurement date.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.7% 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 rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% decreasing to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend 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."

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

The following presents the total nonemployer OPEB liability as of June 30, 2019 calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (2.5%)	At Discount Rate (3.5%)	At 1% Increase (4.5%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 84,451,210	\$ 71,484,303	\$ 61,184,102
State of New Jersey's Total Nonemployer OPEB Liability	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

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

The following presents the total nonemployer OPEB liability as of June 30, 2019 calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 58,899,879	\$ 71,484,303	\$ 88,143,496
State of New Jersey's Total Nonemployer OPEB Liability	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2019 are as follows:

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ -	\$ (10,484,965,300)
Change in Assumptions	-	(8,481,529,343)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	\$ -	\$ (18,966,494,643)
Fiscal Year Ending June 30,		
2020	\$ (2,546,527,182)	
2021	(2,546,527,182)	
2022	(2,546,527,182)	
2023	(2,546,527,182)	
2024	(2,546,527,182)	
Thereafter	(6,233,858,733)	
	\$ (18,966,494,643)	

** Employer Contributions made after June 30, 2019 are reported as a deferred outflow of resources, but are not amortized in expense.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Plan Membership

At 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
	364,943

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2020 (measurement date June 30, 2019) is as follows:

Total OPEB Liability

Service Cost	\$ 1,734,404,850
Interest Cost	1,827,787,206
Differences Between Expected and Actual Experiences	(7,323,140,818)
Changes of Assumptions	622,184,027
Contributions: Member	37,971,171
Gross Benefit Payments	(1,280,958,373)
Net Change in Total OPEB Liability	(4,381,751,937)
Total OPEB Liability (Beginning)	46,110,832,982
Total OPEB Liability (Ending)	\$ 41,729,081,045
Total Covered Employee Payroll	13,929,083,479
Net OPEB Liability as a Percentage of Payroll	300%

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2020, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$3,453,425, \$1,263,041, \$1,281,157, and \$2,203, respectively.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 11. Risk Management

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

Property and Liability Insurance – The District maintains 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.

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

<u>Fiscal Year</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ -	\$ 36,689	\$ 91	\$ 26,384	\$ 37,083
2018-2019	-	32,321	77	39,410	26,687
2017-2018	-	29,505	20	31,732	33,699

Note 12. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2020 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

Note 13. Economic Dependency

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 14. Deferred Compensation

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

Laurel Financial Group Inc.
The Franklin Life Insurance Company
Siracusa Benefits Programs
UBS Financial Services, Inc.
Lincoln Investment Planning
Equitable
Retirement Annuity Contributions Inc.
Thomas Seeley Agency
Valic Investments

Note 15. Compensated Absences

The 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.

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2020 is \$2,327,608.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2020 no liability existed for compensated absences in the proprietary fund types.

Note 16. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 16. Tax Abatements (continued)

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.

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2020 was \$9,765.

Note 18. Fund Balance

General Fund – Of the \$7,189,200 General Fund fund balance at June 30, 2020, \$2,125,199 has been reserved in the Capital Reserve Account; \$2,758,613 has been reserved in the Maintenance Reserve Account; \$150,000 has been reserved in the Emergency Reserve Account; \$97,589 has been reserved in the Tuition Reserve Account; \$9,765 is restricted for excess surplus; \$563,729 is restricted for excess surplus – designated for subsequent year's expenditures; \$1,342,902 has been assigned as designated for subsequent year's expenditures; and \$141,403 has been reserved for encumbrances.

Capital Projects Fund – Of the \$265,128 Capital Projects Fund fund balance at June 30, 2020, \$265,128 is restricted for capital projects.

Note 19. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$(15,821,001) at June 30, 2020. The deficit is caused by the implementation of GASB 68 which requires the School District to report their proportionate share of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2020.

Note 20. Subsequent Events

COVID – 19 – has caused considerable economic damage to the New Jersey economy. As a result, Governor Murphy decreased the originally appropriated school state aid by over \$335 million state wide for the 2020-2021 school year.

As the COVID-19 pandemic remains a fluid situation, outside of the reduction in state aid, it is not currently known what further economic challenges are ahead for local school districts.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Tax Levy	10-1210	\$ 30,261,873	\$ -	\$ 30,261,873	\$ 30,261,873	\$ -
Other Local Governmental Units	10-1990-006	95,000	-	95,000	61,123	(33,877)
Tuition From Individuals	10-1310	80,000	-	80,000	202,112	122,112
Tuition From Other LEAs Within the State	10-1320	619,538	-	619,538	619,538	-
Transportation Fees from Other LEAs	10-1420	91,385	-	91,385	54,557	(36,828)
Rents and Royalties	10-1910	2,000	-	2,000	1,175	(825)
Unrestricted Miscellaneous Revenues	10-1XXX	371,000	2,000	373,000	290,916	(82,084)
Advertising Fees - School Buses	10-1992	625	-	625	-	(625)
Interest Earned on Maintenance Reserve	10-1XXX	900	(900)	-	-	-
Interest Earned on Capital Reserve Funds	10-1XXX	1,100	(1,100)	-	-	-
Other Restricted Miscellaneous Revenues	10-1990-005	21,466	-	21,466	29,518	8,052
Total Local Sources		31,544,887	-	31,544,887	31,520,812	(24,075)
Intermediate Sources:						
PILOT Payments to School District	10-2300	70,000	-	70,000	380,533	310,533
Total Intermediate Sources		70,000	-	70,000	380,533	310,533
State Sources:						
Equalization Aid	10-3176	7,115,950	-	7,115,950	7,115,950	-
Categorical Special Education Aid	10-3132	1,470,071	-	1,470,071	1,470,071	-
Categorical Security Aid	10-3177	71,779	-	71,779	71,779	-
Categorical Transportation Aid	10-3121	729,374	-	729,374	729,374	-
Extraordinary Aid	10-3131	335,000	-	335,000	351,506	16,506
Non-Public Transportation Aid	10-3190	-	-	-	8,873	8,873
Homeless Tuition Aid	10-3XXX	-	-	-	15,411	15,411
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	3,453,425	3,453,425
On-Behalf TPAF Post Retirement Medical Contribution		-	-	-	1,281,157	1,281,157
On-Behalf TPAF Long-Term Disability Insurance		-	-	-	2,203	2,203
Reimbursed TPAF Social Security Contribution		-	-	-	1,263,041	1,263,041
Total State Sources		9,722,174	-	9,722,174	15,762,790	6,040,616
Federal Sources:						
Medicaid Reimbursement (SEMI)	10-4200	63,986	-	63,986	81,329	17,343
Total Federal Sources		63,986	-	63,986	81,329	17,343
Total Revenues		41,401,047	-	41,401,047	47,745,464	6,344,417
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool	11-105-100-101	57,309	-	57,309	54,477	2,832
Kindergarten	11-110-100-101	607,167	(37,449)	569,718	519,694	50,024
Grades 1 - 5	11-120-100-101	3,936,831	(84,368)	3,852,463	3,808,073	44,390
Grades 6 - 8	11-130-100-101	2,613,831	(114,753)	2,499,078	2,345,342	153,736
Grades 9 - 12	11-140-100-101	3,581,632	(1,917)	3,579,715	3,414,836	164,879
Home Instruction:						
Salaries of Teachers	11-150-100-101	56,228	1,917	58,145	35,125	23,020
Regular Programs - Undistributed Instruction:						
Unused Sick Payment to Terminated/Retired Staff	11-XXX-100-199	7,730	5,360	13,090	13,090	-
Purchased Technical Services	11-190-100-340	199,900	1,053	200,953	200,953	-
Other Purchased Services	11-190-100-500	74,057	1,236	75,293	65,023	10,270
General Supplies	11-190-100-610	753,727	23,704	777,431	721,322	56,109
Textbooks	11-190-100-640	71,908	256	72,164	71,068	1,096
Total Regular Programs		11,960,320	(204,961)	11,755,359	11,249,003	506,356

**BORDENTOWN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	828,134	(20,282)	807,852	805,140	2,712
Other Salaries for Instruction	11-204-100-106	208,345	46,007	254,352	254,131	221
Unused Sick Payment	11-204-100-299	15,261	(8,660)	6,601	6,600	1
Supplies and Materials	11-204-100-610	34,475	(1,330)	33,145	22,463	10,682
Total Behavioral Disabilities		1,086,215	15,735	1,101,950	1,088,334	13,616
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	64,331	-	64,331	62,501	1,830
Other Salaries for Instruction	11-212-100-106	22,350	-	22,350	20,974	1,376
Textbooks	11-212-100-640	800	-	800	-	800
Total Multiple Disabilities		87,481	-	87,481	83,475	4,006
Resource Room:						
Salaries of Teachers	11-213-100-101	1,104,102	40,000	1,144,102	1,093,867	50,235
Other Salaries for Instruction	11-213-100-106	219,212	(18,271)	200,941	165,879	35,062
Unused Sick Payment	11-213-100-299	-	8,660	8,660	8,620	40
General Supplies	11-213-100-610	9,406	500	9,906	8,157	1,749
Textbooks	11-213-100-640	1,490	-	1,490	1,270	220
Total Resource Room		1,334,210	30,889	1,365,099	1,277,793	87,306
Autism:						
Salaries of Teachers	11-214-100-101	189,102	-	189,102	186,207	2,895
General Supplies	11-214-100-610	9,849	1,175	11,024	7,319	3,705
Total Autism		198,951	1,175	200,126	193,526	6,600
Preschool Disabilities - Part-time:						
Salaries of Teachers	11-215-100-101	185,091	62,949	248,040	238,749	9,291
Other Salaries for Instruction	11-215-100-106	5,785	-	5,785	-	5,785
General Supplies	11-215-100-600	4,520	1,200	5,720	3,275	2,445
Total Preschool Disabilities - Part-time		195,396	64,149	259,545	242,024	17,521
Total Special Education		2,902,253	111,948	3,014,201	2,885,152	129,049
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	590,859	84,650	675,509	669,893	5,616
General Supplies	11-230-100-610	12,053	(28)	12,025	10,594	1,431
Textbooks	11-230-100-640	150	-	150	28	122
Total Basic Skills/Remedial		603,062	84,622	687,684	680,515	7,169
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	180,805	-	180,805	175,434	5,371
Other Purchased Services	11-240-100-500	1,300	-	1,300	-	1,300
General Supplies	11-240-100-610	2,500	-	2,500	-	2,500
Total Basic Skills/Remedial		184,605	-	184,605	175,434	9,171
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	184,072	6,241	190,313	180,956	9,357
Supplies and Materials	11-401-100-600	54,103	(175)	53,928	45,059	8,869
Total School Sponsored Cocurricular Activities		238,175	6,066	244,241	226,015	18,226
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	455,613	6,415	462,028	455,572	6,456
Unused Vacation	11-402-100-199	-	11,257	11,257	11,257	-
Other Purchased Services	11-402-100-500	192,312	(14,172)	178,140	129,071	49,069
Supplies and Materials	11-402-100-600	80,472	(4,729)	75,743	69,680	6,063
Total School Sponsored Athletics Instruction		728,397	(1,229)	727,168	665,580	61,588
Total Instruction		16,616,812	(3,554)	16,613,258	15,881,699	731,559

**BORDENTOWN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Undistributed Expenditures:						
Instruction :						
Tuition to Other LEAs Within the State - Regular	11-000-100-561	98,100	-	98,100	2,309	95,791
Tuition to County Vocational School District - Regular	11-000-100-563	68,960	14,000	82,960	82,575	385
Tuition to County Vocational School District - Special	11-000-100-564	13,792	-	13,792	10,344	3,448
Tuition to CSSD & Regional Day School	11-000-100-565	366,059	23,660	389,719	359,804	29,915
Tuition to Private School for the Handicapped - State	11-000-100-566	762,110	(37,660)	724,450	690,800	33,650
Tuition - State Facilities	11-000-100-568	-	-	-	-	-
Tuition - Other	11-000-100-569	62,646	-	62,646	-	62,646
Total Undistributed Expenditures - Instruction		1,371,667	-	1,371,667	1,145,831	225,836
Attendance & Social Work Services:						
Salaries	11-000-211-100	1,129	(520)	609	-	609
Total Attendance & Social Work Services		1,129	(520)	609	-	609
Health Services:						
Salaries	11-000-213-100	419,448	(15,946)	403,502	395,983	7,519
Purchased Professional & Technical Services	11-000-213-300	51,000	-	51,000	47,805	3,195
Other Purchased Services	11-000-213-500	5,200	(250)	4,950	3,706	1,244
Supplies and Materials	11-000-213-600	12,054	2,750	14,804	11,408	3,396
Total Health Services		487,702	(13,446)	474,256	458,902	15,354
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	454,899	-	454,899	438,614	16,285
Unused Sick Payment to Terminated/Retired Staff	11-000-216-299	-	-	-	-	-
Purchased Professional - Educational Services	11-000-216-320	40,800	-	40,800	19,625	21,175
Supplies and Materials	11-000-216-600	3,100	-	3,100	2,220	880
Total Other Support Services-Students-Related Services		498,799	-	498,799	460,459	38,340
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	301,087	(52,448)	248,639	192,852	55,787
Unused Sick Payment to Terminated/Retired Staff	11-000-217-299	3,227	-	3,227	3,227	-
Total Other Support Services - Students - Extra Services		304,314	(52,448)	251,866	196,079	55,787
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	723,456	-	723,456	678,607	44,849
Salaries of Secretarial & Clerical Assistants	11-000-218-105	77,022	-	77,022	66,181	10,841
Other Purchased Services	11-000-218-500	900	-	900	590	310
Supplies and Materials	11-000-218-600	5,567	(492)	5,075	3,990	1,085
Other Objects	11-000-218-800	4,900	-	4,900	2,885	2,015
Total Other Support Services - Students - Regular		811,845	(492)	811,353	752,253	59,100
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	1,273,914	43,651	1,317,565	1,299,893	17,672
Salaries of Secretarial & Clerical Assistants	11-000-219-105	173,122	(9,653)	163,469	160,193	3,276
Unused Sick Payment to Terminated/Retired Staff	11-000-219-299	-	9,673	9,673	9,673	-
Purchased Professional - Educational Services	11-000-219-320	22,175	-	22,175	13,976	8,199
Other Purchased Professional & Technical Services	11-000-219-390	2,196,520	1,500	2,198,020	2,084,719	113,301
Miscellaneous Purchased Services	11-000-219-592	4,000	-	4,000	777	3,223
Supplies and Materials	11-000-219-600	41,190	-	41,190	22,099	19,091
Total Other Support Services-Students-Special Services		3,710,921	45,171	3,756,092	3,591,330	164,762

**BORDENTOWN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisor of Instruction	11-000-221-102	417,915	(15)	417,900	409,672	8,228
Salaries of Secretarial & Clerical Assistants	11-000-221-105	61,145	15	61,160	61,155	5
Other Purchased Services	11-000-221-500	50,035	(3,500)	46,535	43,153	3,382
Supplies and Materials	11-000-221-600	3,000	-	3,000	578	2,422
Total Improvement of Instruction Services/Other Support Services Instructional Staff		532,095	(3,500)	528,595	514,558	14,037
Educational Media Services/School Library:						
Salaries	11-000-222-100	317,645	(2,286)	315,359	243,727	71,632
Unused Sick Payment	11-000-222-299	2,420	-	2,420	2,420	-
Other Purchased Services	11-000-222-500	820	-	820	683	137
Supplies and Materials	11-000-222-600	25,325	15,025	40,350	22,727	17,623
Total Educational Media Services/School Library		346,210	12,739	358,949	269,557	89,392
Support Services General Administration:						
Salaries	11-000-230-100	235,439	219	235,658	235,655	3
Legal Services	11-000-230-331	50,000	5,000	55,000	47,470	7,530
Audit Services	11-000-230-332	40,700	-	40,700	35,776	4,924
Communications/Telephone	11-000-230-530	90,229	(12,013)	78,216	61,686	16,530
BOE Other Purchased Services	11-000-230-585	3,500	3,000	6,500	3,558	2,942
Other Purchased Services	11-000-230-590	188,483	9,996	198,479	175,999	22,480
General Supplies	11-000-230-610	7,100	400	7,500	7,499	1
Miscellaneous Expenditures	11-000-230-890	10,500	7,194	17,694	17,533	161
BOE Membership Dues & Fees	11-000-230-895	22,000	(3,000)	19,000	16,613	2,387
Total Support Services General Administration		647,951	10,796	658,747	601,789	56,958
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	1,152,708	(8,219)	1,144,489	1,115,209	29,280
Salaries of Secretarial & Clerical Assistants	11-000-240-105	485,803	(4,775)	481,028	462,534	18,494
Unused Vacation Payment to Terminated/Retired Staff	11-000-240-199	5,000	(225)	4,775	4,775	-
Unused Sick Payment to Terminated/Retired Staff	11-000-240-299		5,240	5,240	5,240	-
Other Purchased Services	11-000-240-500	80,165	(94)	80,071	57,190	22,881
Supplies and Materials	11-000-240-600	14,031	277	14,308	12,017	2,291
Total Support Services School Administration		1,737,707	(7,796)	1,729,911	1,656,965	72,946
Central Services:						
Salaries	11-000-251-100	374,349	8,000	382,349	367,630	14,719
Unused Vacation Payment to Terminated/Retired Staff	11-000-251-199	2,694	25,823	28,517	28,516	1
Purchased Technical Services	11-000-251-340	7,100	4,500	11,600	5,122	6,478
Miscellaneous Purchased Services	11-000-251-592	5,000	-	5,000	1,710	3,290
Sale/Lease-Back Payments	11-000-251-594	11,000	10,781	21,781	21,739	42
Supplies & Materials	11-000-251-600	22,688	-	22,688	16,462	6,226
Total Central Services		422,831	49,104	471,935	441,179	30,756
Administrative Information Technology:						
Salaries	11-000-252-100	301,171	817	301,988	290,500	11,488
Unused Vacation Payment to Terminated/Retired Staff	11-000-252-199	-	1,469	1,469	1,469	-
Purchased Technical Services	11-000-252-340	79,854	7,249	87,103	87,103	-
Other Purchased Services	11-000-252-500	3,000	-	3,000	1,855	1,145
Total Administrative Information Technology		384,025	9,535	393,560	380,927	12,633
Allowance Maintenance for School Facilities:						
Salaries	11-000-261-100	328,095	(11,279)	316,816	307,880	8,936
Unused Vacation Payment to Terminated/Retired Staff	11-000-261-199	5,000	11,280	16,280	16,280	-
Unused Sick Payment to Terminated/Retired Staff	11-000-261-299	5,000	-	5,000	5,000	-
Maintenance Services	11-000-261-420	486,820	46,548	533,368	505,666	27,702
Lead Testing of Drinking Water	11-000-261-421	16,648	(5,648)	11,000	-	11,000
General Supplies	11-000-261-610	125,617	(24,381)	101,236	94,137	7,099
Total Allowance Maintenance for School Facilities		967,180	16,520	983,700	928,963	54,737

**BORDENTOWN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Other Operation & Maintenance of Plant Services:						
Salaries	11-000-262-100	1,764,869	(10,880)	1,753,989	1,606,738	147,251
Salaries of Non-Instructional Aids	11-000-262-107	181,586	-	181,586	170,251	11,335
Unused Vacation Payment to Terminated/Retired Staff	11-000-262-199	-	10,880	10,880	10,880	-
Purchased Professional & Technical Services	11-000-262-300	106,000	6,603	112,603	88,253	24,350
Cleaning, Repair & Maintenance Services	11-000-262-420	38,200	10,000	48,200	33,167	15,033
Other Purchased Property Services	11-000-262-490	90,000	-	90,000	80,312	9,688
Insurance	11-000-262-520	126,775	-	126,775	126,775	-
Miscellaneous Purchased Services	11-000-262-590	21,604	-	21,604	21,088	516
General Supplies	11-000-262-610	160,103	(45,769)	114,334	109,515	4,819
Energy (Natural Gas)	11-000-262-621	200,000	-	200,000	138,060	61,940
Energy (Electricity)	11-000-262-622	677,000	(10,000)	667,000	550,452	116,548
Total Other Operation&Maintenance of Plant Services		3,366,137	(39,166)	3,326,971	2,935,491	391,480
Security						
Salaries	11-000-266-100	60,659	(1,500)	59,159	59,064	95
Total Security		60,659	(1,500)	59,159	59,064	95
Student Transportation Services:						
Salaries of Non-Instructional Aids	11-000-270-107	153,717	2,966	156,683	156,683	-
Salaries for Pupil Transportation (Between Home & School)-Reg	11-000-270-160	670,800	31,952	702,752	674,230	28,522
Salaries for Pupil Transportation (Between Home & School)-Sp.	11-000-270-161	364,521	(55,150)	309,371	281,185	28,186
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	87,907	(7,363)	80,544	49,575	30,969
Unused Vacation Payment to Terminated/Retired Staff	11-000-270-199	5,000	(5,000)	-	-	-
Social Security Contributions	11-000-270-220	85,000	5,600	90,600	90,583	17
Workmen's Compensation	11-000-270-260	105,000	(5,000)	100,000	100,000	-
Health Benefits	11-000-270-270	400,000	-	400,000	400,000	-
Unused Vacation Payment to Terminated/Retired Staff	11-000-270-270	6,214	-	6,214	6,213	1
Cleaning, Repair&Maintenance	11-000-270-420	55,000	-	55,000	54,551	449
Lease Purchase Payments - School Buses	11-000-270-443	86,000	-	86,000	85,670	330
Aid in Lieu of Payments	11-000-270-503	75,000	(7,315)	67,685	35,627	32,058
Contracted Services (Special Education) - Vendors	11-000-270-514	75,000	1,775	76,775	71,194	5,581
Contracted Services (Special Education) - Joint Agreements	11-000-270-515	20,000	34,803	54,803	35,334	19,469
Miscellaneous Purchased Services - Transportation	11-000-270-593	19,288	-	19,288	19,288	-
Supplies and Materials	11-000-270-610	133,995	-	133,995	83,389	50,606
Transportation Supplies	11-000-270-615	216,937	(937)	216,000	142,982	73,018
Fuel Costs Funded by Advertising Revenue	11-000-270-626	313	937	1,250	-	1,250
Total Student Transportation Services		2,559,692	(2,732)	2,556,960	2,286,504	270,456
Unallocated Benefits - Employee Benefits:						
Social Security	11-000-291-220	450,000	16,960	466,960	464,748	2,212
TPAF Contributions - ERIP	11-000-291-232	-	-	-	-	-
Other Retirement Contributions - PERS	11-000-291-241	650,000	(885)	649,115	649,115	-
Other Retirement Contributions - ERIP	11-000-291-242	40,000	(2,748)	37,252	27,744	9,508
Other Retirement Contributions - Deferred PERS Pymt	11-000-291-248	25,000	(25,000)	-	-	-
Unemployment Compensation	11-000-291-250	25,000	(14,335)	10,665	-	10,665
Worker's Compensation	11-000-291-260	163,553	-	163,553	163,553	-
Health Benefits	11-000-291-270	6,200,212	(2,216)	6,197,996	5,460,576	737,420
Tuition Reimbursement	11-000-291-280	50,000	-	50,000	43,715	6,285
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	15,000	(15,000)	-	-	-
Total Unallocated Benefits - Employee Benefits		7,618,765	(43,224)	7,575,541	6,809,451	766,090
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	3,453,425	(3,453,425)
On-Behalf TPAF Post Retirement Medical Contribution		-	-	-	1,281,157	(1,281,157)
On-Behalf TPAF Long-Term Disability Insurance		-	-	-	2,203	(2,203)
Reimbursed TPAF Social Security Contribution		-	-	-	1,263,041	(1,263,041)
Total Undistributed Expenditures		25,829,629	(20,959)	25,808,670	29,489,128	(3,680,458)
Interest Earned on Maintenance Reserve	10-606	900	(900)			-
Total Expenditures - Current Expense		42,447,341	(25,413)	42,421,928	45,370,828	(2,948,900)

**BORDENTOWN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Capital Outlay:					
Equipment:					
Interest Deposit to Capital Reserve	10-606	1,100	(1,100)	-	-
Regular Programs - Instruction:					
Grades 6-8	12-000-100-730	41,693	-	41,693	41,693
Central Services	12-000-251-730	-	-	-	-
Administrative Information Technology	12-000-252-730	54,000	-	54,000	50,597
Required Maintenance - School Facilities	12-000-261-730	-	9,500	9,500	-
Security	12-000-266-730	12,600	10,000	22,600	12,493
School Buses	12-000-270-733	142,000	-	142,000	131,065
Total Equipment		251,393	18,400	269,793	235,848
Facilities Acquisition & Construction Services:					
Construction Services	12-000-400-450	570,502	-	570,502	404,318
Assessment for Debt Service on SDA Funding	12-000-400-896	117,685	-	117,685	117,685
Total Facilities Acquisition & Construction Services		688,187	-	688,187	522,003
Assets Acquired Under Capital Leases (Nonbudgeted):					
Equipment		-	-	-	34,984
Total Assets Acquired Under Capital Leases (Nonbudgeted):		-	-	-	34,984
Total Capital Outlay		939,580	18,400	957,980	792,835
Transfer of Funds to Charter Schools	10-000-100-561	22,947	7,013	29,960	29,960
Total Expenditures		43,409,868	-	43,409,868	46,193,623
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(2,008,821)	-	(2,008,821)	1,551,841
Other Financing Sources/(Uses):					
Capital Leases (Nonbudgeted)		-	-	-	34,984
Total Other Financing Sources/(Uses)		-	-	-	34,984
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources/(Uses)		(2,008,821)	-	(2,008,821)	1,586,825
Fund Balances, July 1		6,465,909	-	6,465,909	6,465,909
Fund Balances, June 30		\$ 4,457,088	\$ -	\$ 4,457,088	\$ 8,052,734
					\$ 3,595,646

RECAPITULATION OF FUND BALANCE:**Restricted for:**

Maintenance Reserve	\$ 2,758,613
Capital Reserve	2,125,199
Emergency Reserve	150,000
Tuition Reserve - Current Year	97,589
Excess Surplus	9,765
Excess Surplus Designated for Subsequent Year's Expenditures	563,729

Assigned to:

Year-End Encumbrances	141,403
Designated for Subsequent Year's Expenditures	1,377,881
Unassigned Fund Balance	828,555
Subtotal	8,052,734

Reconciliation to Governmental Fund Statements (GAAP):

Last Two State Aid Payments Not Recognized on GAAP Basis	(863,534)
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Fund Balance Per Governmental Funds (GAAP)

\$ 7,189,200

**BORDENTOWN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	BUDGET			ACTUAL	
	ORIGINAL BUDGET	TRANSFERS/ ADJUSTMENTS	FINAL BUDGET		
Revenues:					
Federal Sources	\$ 835,823	\$ 317,682	\$ 1,153,505	\$ 880,400	\$ (273,105)
Local Sources	-	-	-	137,866	137,866
Total Revenues	835,823	317,682	1,153,505	1,018,266	(135,239)
Expenditures:					
Instruction:					
Salaries of Teachers	239,060	(323)	238,737	210,393	28,344
Purchased Professional and Technical Services		4,810	4,810	4,251	559
Tuition to Private Schools for the Handicapped	540,000	20,650	560,650	560,650	-
Supplies & Materials	10,000	91,763	101,763	56,377	45,386
Other Objects	-	500	500	-	500
Total Instruction	789,060	117,400	906,460	831,671	74,789
Support Services:					
Salaries	26,000	(17,679)	8,321	-	8,321
Personal Services - Employee Benefits	8,763	47,650	56,413	56,413	-
Purchased Professional and Technical Services	2,000	29,827	31,827	18,544	13,283
Purchased Professional - Educational Services	-	4,900	4,900	3,000	1,900
Other Purchased Services	-	5,600	5,600	-	5,600
Supplies & Materials	10,000	37,782	47,782	16,551	31,231
Other Objects		4,000	4,000	4,000	-
Total Support Services	46,763	112,080	158,843	98,508	60,335
Facilities Acquisition & Construction Services:					
Non-Instructional Equipment	-	88,202	88,202	88,087	115
Total Facilities Acquisition & Construction Services	-	88,202	88,202	88,087	115
Total Expenditures	835,823	317,682	1,153,505	1,018,266	135,239
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 47,745,464	\$ 1,018,266
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		270,653
Current Year		(58,512)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	773,755	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(863,534)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 47,655,685	\$ 1,230,407
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 46,193,623	\$ 1,018,266
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Current Year	-	212,141
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 46,193,623	\$ 1,230,407

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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

	2019	2018	2017	2016	2015	2014	2013
School District's proportion of the net pension liability	0.06276%	0.06299%	0.06396%	0.06556%	0.06501%	0.06408%	0.06439%
School District's proportionate share of the net pension liability	\$ 11,309,161	\$ 12,402,615	\$ 14,889,115	\$ 19,417,069	\$ 14,594,000	\$ 11,997,681	\$ 12,306,906
School District's covered payroll	4,299,496	4,414,649	4,521,992	4,340,188	4,483,508	4,500,347	4,522,419
School District's proportionate share of the net pension liability as a percentage of its covered payroll	263.03%	280.94%	329.26%	447.38%	325.50%	266.59%	272.13%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST SEVEN FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 610,511	\$ 626,557	\$ 592,831	\$ 582,428	\$ 558,933	\$ 95,436	\$ 85,241
Contributions in relation to the contractually required contribution	(610,511)	(626,557)	(592,831)	(582,428)	(558,933)	(95,436)	(85,241)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 4,387,525	\$ 4,299,496	\$ 4,414,649	\$ 4,521,992	\$ 4,340,188	\$ 4,483,508	\$ 4,500,347
Contributions as a percentage of covered payroll	13.91%	14.57%	13.43%	12.88%	12.88%	2.13%	1.89%

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

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

	2020	2019	2018	2017	2016	2015	2014
State Proportionate Share of the Net Pension Liability associated with the School District	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
State's proportionate share of the net pension liability associated with the School District	93,429,816	96,294,399	107,375,959	119,765,208	93,017,621	79,474,589	76,204,693
	\$ 93,429,816	\$ 96,294,399	\$ 107,375,959	\$ 119,765,208	\$ 93,017,621	\$ 79,474,589	\$ 76,204,693
School District's covered payroll	\$ 17,793,721	\$ 16,587,405	\$ 16,441,421	\$ 15,928,224	\$ 15,676,373	\$ 15,920,799	\$ 15,220,543
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.59%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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M. Schedules Related to Accounting and Reporting for Other Post Employment
Benefits (GASB 75)

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

	2020	2019	2018
District's Total OPEB Liability			
Service Cost	\$ 2,935,753	\$ 3,439,120	\$ 4,140,968
Interest Cost	3,126,508	3,463,563	2,988,956
Differences Between Expected and Actual Experiences	(12,421,611)	(11,221,561)	-
Changes of Assumptions	1,065,837	(9,054,987)	(12,487,126)
Contributions: Member	65,047	72,923	80,443
Gross Benefit Payments	(2,194,355)	(2,109,948)	(2,184,605)
Net Change in District's Total OPEB Liability	(7,422,821)	(15,410,890)	(7,461,364)
District's Total OPEB Liability (Beginning)	78,907,124	94,318,014	101,779,378
District's Total OPEB Liability (Ending)	<u>\$ 71,484,303</u>	<u>\$ 78,907,124</u>	<u>\$ 94,318,014</u>
District's Covered Employee Payroll***	\$ 22,181,246	\$ 20,886,901	\$ 20,856,070
District's Net OPEB Liability as a Percentage of Payroll	322%	378%	452%

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

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

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2020**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 4.86% as of June 30, 2018, to 5.60% as of June 30, 2019.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.66% as of June 30, 2018, to 6.28% as of June 30, 2019.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.87% as of June 30, 2018, to 3.5% as of June 30, 2019.

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OTHER SUPPLEMENTARY INFORMATION

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E. Special Revenue Fund

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**Bordentown Regional School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Total Brought Forward (Ex. E-1a)	Title I, Part A		I.D.E.A. Part B		Totals 2020
		2019-2020		Basic 2019-2020	Preschool 2019-2020	
REVENUES						
Local Sources	\$ 137,866	\$ -	\$ -	\$ -	\$ -	\$ 137,866
Federal Sources	72,043	247,707	533,841	26,809		880,400
Total Revenues	209,909	247,707	533,841	26,809		1,018,266
EXPENDITURES:						
Instruction:						
Salaries of Teachers	28,839	181,554	-	-		210,393
Purchased Professional and Technical Services	4,251	-	-	-		4,251
Tuition for Private Schools for the Handicapped	-	-	533,841	26,809		560,650
General Supplies	47,089	9,288	-	-		56,377
Total instruction	80,179	190,842	533,841	26,809		831,671
Support services:						
Personal Services - Employee Benefits	7,806	48,607	-	-		56,413
Purchased Professional and Technical Services	18,544	-	-	-		18,544
Purchased Professional - Educational Services	-	3,000	-	-		3,000
Supplies & Materials	15,293	1,258	-	-		16,551
Other Objects	-	4,000	-	-		4,000
Total support services	41,643	56,865	-	-		98,508
Facilities acquisition and construction services:						
Non-instructional Equipment	88,087	-	-	-		88,087
Total facilities acquisition and construction services	88,087	-	-	-		88,087
Total Expenditures	209,909	247,707	533,841	26,809		1,018,266
Excess (Deficiency) of Revenues Over (Under)						
Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Bordentown Regional School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Total Brought Forward (Ex. E-1b)	Title II, Part A		Title III, Part A		Total Carried Forward
		Teacher & Principal Training & Recruiting	2019-2020	English Language Acquisition	2019-2020	
REVENUES						
Local Sources	\$ 137,866	\$ -	\$ -	\$ -	\$ -	\$ 137,866
Federal Sources	-	41,476	10,938	19,629		72,043
Total Revenues	137,866	41,476	10,938	19,629		209,909
EXPENDITURES:						
Instruction:						
Salaries of Teachers	-	22,500	6,339	-		28,839
Purchased Professional and Technical Services	-	-	-	4,251		4,251
General Supplies	35,769	-	3,284	8,036		47,089
Total instruction	35,769	22,500	9,623	12,287		80,179
Support services:						
Personal Services - Employee Benefits	-	7,175	631	-		7,806
Purchased Professional and Technical Services	-	11,801	-	6,743		18,544
Other Purchased Services (400-500 series)	-	-	-	-		-
Supplies & Materials	14,010	-	684	599		15,293
Total support services	14,010	18,976	1,315	7,342		41,643
Facilities acquisition and construction services:						
Non-instructional Equipment	88,087	-	-	-		88,087
Total facilities acquisition and construction services	88,087	-	-	-		88,087
Total Expenditures	137,866	41,476	10,938	19,629		209,909
Excess (Deficiency) of Revenues Over (Under)						
Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Bordentown Regional School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Nelchen Sievers Library Grants</u>	<u>Bordentown Regional School District Education Foundation Grant</u>	<u>Burlington County Grant</u>	<u>Total Carried Forward</u>
	2019-2020	2019-2020	2019-2020	
REVENUES				
Local Sources	\$ 1,339	\$ 35,769	\$ 100,758	\$ 137,866
Total Revenues	<u>1,339</u>	<u>35,769</u>	<u>100,758</u>	<u>137,866</u>
EXPENDITURES				
Instruction:				
General Supplies	-	35,769	-	35,769
Total instruction	<u>-</u>	<u>35,769</u>	<u>-</u>	<u>35,769</u>
Support services:				
Supplies & Materials	1,339	-	12,671	14,010
Total support services	<u>1,339</u>	<u>-</u>	<u>12,671</u>	<u>14,010</u>
Facilities acquisition and const. serv.:				
Non-instructional Equipment	-	-	88,087	88,087
Total facilities acquisition and const. serv.	<u>-</u>	<u>-</u>	<u>88,087</u>	<u>88,087</u>
Total Expenditures	<u>1,339</u>	<u>35,769</u>	<u>100,758</u>	<u>137,866</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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F. Capital Projects Fund

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

PROJECT TITLE	ORIGINAL DATE	BUDGETARY APPROPRIATIONS	EXPENDITURES		TRANSFER TO DEBT SERVICE	UNEXPENDED BALANCE 2020
			PRIOR YEAR	CURRENT YEAR		
Renovations to Clara Barton Elementary School	6/19/2002	\$ 1,831,755	\$ 1,745,118	\$ -	\$ -	\$ 86,637
Renovations to MacFarland Elementary School	6/19/2002	1,613,832	1,546,754	-	-	67,078
Renovations to Peter Muschal Elementary School	6/19/2002	923,063	872,960	-	-	50,103
Renovations to Bordentown Middle School	6/19/2002	2,324,235	2,212,925	-	(50,000)	61,310
Subtotal - Remaining Referendum Project Balance	6/19/2002	6,692,885	6,377,757	-	(50,000)	265,128
Total		\$ 6,692,885	\$ 6,377,757	\$ -	\$ (50,000)	\$ 265,128

**BORDENTOWN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Other Financing Sources/(Uses)	
Transfer to Debt Service	\$ <u>(50,000)</u>
Total Other Financing Sources/(Uses)	<u>(50,000)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(50,000)
Fund Balance - Beginning	<u>315,128</u>
Fund Balance - Ending	<u><u>\$ 265,128</u></u>

**BORDENTOWN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO CLARA BARTON ELEMENTARY SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 452,844	\$ -	\$ 452,844	\$ 452,844
Bond Proceeds & Transfers	1,378,911	-	1,378,911	1,378,911
Total Revenues	1,831,755	-	1,831,755	1,831,755
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	211,046	-	211,046	444,062
Construction Services	1,534,072	-	1,534,072	1,387,693
Total Expenditures	1,745,118	-	1,745,118	1,831,755
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 86,637	\$ -	\$ 86,637	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	SP#202335
Grant Date	June 19, 2002
Bond Authorization Date	March 12, 2002
Bonds Authorized	\$ 1,378,911
Bonds Issued	\$ 1,378,911
Original Authorized Cost	\$ 1,831,755
Revised Authorized Cost	\$ 1,831,755
Percentage Increase Over Original Authorized Cost	0%
Percentage of Completion	100%
Original Target Completion Date	November 30, 2005
Actual Completion Date	August 1, 2006

**BORDENTOWN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO MACFARLAND ELEMENTARY SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 447,466	\$ -	\$ 447,466	\$ 447,466
Bond Proceeds & Transfers	1,166,366	-	1,166,366	1,166,366
Total Revenues	1,613,832	-	1,613,832	1,613,832
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	173,904	-	173,904	391,232
Construction Services	1,372,850	-	1,372,850	1,222,600
Total Expenditures	1,546,754	-	1,546,754	1,613,832
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 67,078	\$ -	\$ 67,078	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	SP#202336
Grant Date	June 19, 2002
Bond Authorization Date	March 12, 2002
Bonds Authorized	\$ 1,166,366
Bonds Issued	\$ 1,166,366
Original Authorized Cost	\$ 1,613,832
Revised Authorized Cost	\$ 1,613,832
Percentage Increase Over Original Authorized Cost	0%
Percentage of Completion	100%
Original Target Completion Date	November 30, 2005
Actual Completion Date	August 1, 2006

**BORDENTOWN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO PETER MUSCHAL ELEMENTARY SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 120,606	\$ -	\$ 120,606	\$ -
Bond Proceeds & Transfers	802,457	-	802,457	-
Total Revenues	923,063	-	923,063	-
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	135,713	-	135,713	-
Construction Services	737,247	-	737,247	-
Total Expenditures	872,960	-	872,960	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 50,103	\$ -	\$ 50,103	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	SP#202337
Grant Date	June 19, 2002
Bond Authorization Date	March 12, 2002
Bonds Authorized	\$ 802,457
Bonds Issued	\$ 802,457
Original Authorized Cost	\$ 923,063
Revised Authorized Cost	\$ 923,063
Percentage Increase Over Original Authorized Cost	0%
Percentage of Completion	100%
Original Target Completion Date	November 30, 2005
Revised Target Completion Date	August 1, 2006

**BORDENTOWN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO BORDENTOWN MIDDLE SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SDA Grant	\$ 669,693	\$ -	\$ 669,693	\$ 669,693
Bond Proceeds & Transfers	1,654,542	-	1,654,542	1,654,542
Total Revenues	2,324,235	-	2,324,235	2,324,235
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	185,264		185,264	405,875
Construction Services	1,862,980		1,862,980	1,918,360
Other Objects	4,529		4,529	-
Total Expenditures	2,052,773	-	2,052,773	2,324,235
Other Financing Sources/(Uses)				
Transfer to Debt Service	(160,152)	(50,000)	(210,152)	-
Total Other Financing Sources/(Uses)	(160,152)	(50,000)	(210,152)	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures				
	\$ 111,310	\$ (50,000)	\$ 61,310	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	SP#202338
Grant Date	June 19, 2002
Bond Authorization Date	March 12, 2002
Bonds Authorized	\$ 1,654,542
Bonds Issued	\$ 1,654,542
Original Authorized Cost	\$ 2,324,235
Revised Authorized Cost	\$ 2,324,235
Percentage Increase Over Original Authorized Cost	0%
Percentage of Completion	100%
Original Target Completion Date	November 30, 2005
Revised Target Completion Date	August 1, 2006

H. Fiduciary Fund

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>PRIVATE PURPOSE</u>		<u>AGENCY</u>		<u>TOTALS</u>
	<u>UNEMPLOYMENT</u>		<u>PAYROLL</u>	<u>STUDENT</u>	
	<u>COMPENSATION</u>	<u>SCHOLARSHIP</u>			
	<u>TRUST</u>				
ASSETS					
Cash & Cash Equivalents	\$ 37,083	\$ 142,867	\$ 293,320	\$ 255,472	\$ 728,742
Total Assets	<u>\$ 37,083</u>	<u>\$ 142,867</u>	<u>\$ 293,320</u>	<u>\$ 255,472</u>	<u>\$ 728,742</u>
Expenditures & Other Financing Uses:					
Payroll Deductions & Withholdings			\$ 293,320	\$ -	\$ 293,320
Due to Student Groups			-	255,472	255,472
Total Liabilities			<u>\$ 293,320</u>	<u>\$ 255,472</u>	<u>548,792</u>
NET POSITION					
Restricted for Unemployment Trust Claims & Other Purposes	\$ 37,083	\$ -			\$ 37,083
Restricted for Scholarships	-	142,867			142,867
Total Net Position	<u>\$ 37,083</u>	<u>\$ 142,867</u>			<u>\$ 179,950</u>

**BORDENTOWN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PRIVATE PURPOSE		
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIPS	TOTALS
ADDITIONS:			
Local Sources:			
Contributions	\$ 36,689	\$ 12,000	\$ 48,689
Total Contributions	36,689	12,000	48,689
Investment Earnings:			
Interest on Investments	91	1,527	1,618
Total Investment Earnings	91	1,527	1,618
Total Additions	36,780	13,527	50,307
DEDUCTIONS:			
Unemployment Claims	26,384	-	26,384
Scholarship Payments	-	12,844	12,844
Total Deductions	26,384	12,844	39,228
Change in Net Position	10,396	683	11,079
Net Position - Beginning of Year	26,687	142,184	168,871
Net Position - End of Year	\$ 37,083	\$ 142,867	\$ 179,950

**BORDENTOWN REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
SCHEDULE OF STUDENT ACTIVITY RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	JULY 1, 2019	CASH RECEIPTS	CASH DISBURSEMENTS	JUNE 30, 2020
Bordentown Regional Elementary Schools	\$ 39,304	\$ 37,389	\$ 17,550	\$ 59,143
Bordentown Regional Middle School	38,902	58,459	42,901	54,460
Bordentown Regional High School	99,150	418,795	376,076	141,869
Total	\$ 177,356	\$ 514,643	\$ 436,527	\$ 255,472

**SCHEDULE OF CHANGES IN PAYROLL AGENCY ASSETS & LIABILITIES
FOR FISCAL YEAR ENDED JUNE 30, 2020**

	BALANCE JULY 1, 2019	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2020
ASSETS				
Cash & Cash Equivalents:				
Payroll	\$ 310,728	\$ 28,477,221	\$ 28,494,629	\$ 293,320
Total Assets	\$ 310,728	\$ 28,477,221	\$ 28,494,629	\$ 293,320
LIABILITIES				
Net Payroll Deductions & Withholdings	310,728	28,477,221	28,494,629	293,320
Total Liabilities	\$ 310,728	\$ 28,477,221	\$ 28,494,629	\$ 293,320

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I. Long-Term Debt

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**BORDENTOWN REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITY	INTEREST RATE	BALANCE JUNE 30, 2019	REDEEMED	BALANCE JUNE 30, 2020		
2016 School Refunding Bonds	11/10/2016	\$ 27,355,000	1/15/2021	4.000%	\$ 24,430,000	\$ 1,375,000	\$ 23,055,000		
			1/15/2022	5.000%					
			1/15/2023	5.000%					
			1/15/2024	5.000%					
			1/15/2025	5.000%					
			1/15/2026	5.000%					
			1/15/2027	5.000%					
			1/15/2028	5.000%					
			1/15/2029	4.000%					
			1/15/2030	4.000%					
2010 School Bonds for Renovations and Improvements at the High School Complex to Include Solar Energy and Athletic Fields	3/12/2010	8,499,000	3/1/2021	3.500%	4,324,000	625,000	3,699,000		
			3/1/2022	3.500%					
			3/1/2023	3.500%					
			3/1/2024	3.500%					
			3/1/2025	3.500%					
Total							\$ 28,754,000	\$ 2,000,000	\$ 26,754,000

BORDENTOWN REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SERIES	DATE OF LEASE	TERM OF LEASE	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2019	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2020
6 54 Passenger School Buses	3/6/2015	7 Years	1.67%	525,000	\$ 208,902	\$ -	\$ 82,518	\$ 126,384
2017 Ford F-350	3/3/2017	36 Months	5.65%	38,929	9,185	-	9,185	-
2019 Ford F-350	11/27/2019	36 Months	6.20%	34,984	-	34,984	12,337	22,647
TOTAL					\$ 218,087	\$ 34,984	\$ 104,040	\$ 149,031

**BORDENTOWN REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,965,990	\$ -	\$ 2,965,990	\$ 2,965,990	\$ -
State Sources:					
Debt Service Aid Type II	203,088	-	203,088	203,088	-
Total Revenues	3,169,078	-	3,169,078	3,169,078	-
Expenditures:					
Regular Debt Service:					
Interest on Bonds	1,219,078	-	1,219,078	1,219,078	-
Redemption of Principal	2,000,000	-	2,000,000	2,000,000	-
Total Expenditures	3,219,078	-	3,219,078	3,219,078	-
Other Financing Sources/(Uses):					
Transfer From Capital Projects Fund	50,000	-	50,000	50,000	-
Total Other Financial Sources/(Uses)	50,000	-	50,000	50,000	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-
Fund Balance July 1, 2019	-	-	-	-	-
Fund Balance June 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -

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STATISTICAL SECTION (Unaudited)

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Net Investment in Capital Assets	\$ 14,524,053	\$ 13,512,598	\$ 12,472,045	\$ 11,784,533	\$ 10,577,418	\$ 11,311,755	\$ 11,513,485	\$ 12,122,145	\$ 12,214,431	\$ 12,400,387
Restricted	5,970,023	4,533,093	3,644,809	2,564,705	1,388,244	842,219	1,109,192	1,857,760	2,111,689	1,254,222
Unrestricted	(15,821,001)	(1,600,233)	(15,908,415)	(15,061,536)	(13,209,537)	(14,581,412)	(1,039,381)	(1,230,770)	(977,100)	(482,412)
Total Governmental Activities	4,673,075	2,043,258	208,439	(712,298)	(1,243,875)	(2,427,438)	11,583,296	12,749,135	13,349,020	13,172,197
Business-Type Activities:										
Net Investment in Capital Assets	94,976	70,411	90,787	94,049	92,380	112,580	132,455	156,353	183,596	227,164
Unrestricted	562,493	666,603	558,889	577,540	525,030	497,158	482,860	397,382	309,183	102,974
Total Business-Type Activities	657,469	737,044	649,676	671,589	617,410	609,738	615,315	553,735	492,779	330,138
District-Wide:										
Net Investment in Capital Assets	14,619,029	13,583,039	12,562,832	11,878,582	10,669,798	11,424,335	11,645,940	12,278,498	12,398,027	12,627,551
Restricted	5,970,023	4,533,093	3,644,809	2,564,705	1,388,244	842,219	1,109,192	1,857,760	2,111,689	1,254,222
Unrestricted	(15,258,508)	(15,335,830)	(15,349,526)	(14,483,996)	(12,684,507)	(14,084,254)	(556,521)	(833,388)	(667,917)	(379,438)
Total District Net Position	\$ 5,330,544	\$ 2,780,302	\$ 858,115	\$ (40,709)	\$ (626,465)	\$ (1,817,700)	\$ 12,198,611	\$ 13,302,870	\$ 13,841,799	\$ 13,502,335

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 11,249,003	\$ 10,969,909	\$ 10,535,966	\$ 10,480,471	\$ 9,965,239	\$ 12,720,994	\$ 12,885,266	\$ 12,270,882	\$ 11,782,331	\$ 11,412,860
Special Education	3,716,823	3,559,909	3,469,473	3,377,838	3,139,589	3,781,151	4,064,402	4,200,979	4,393,784	4,459,110
Other Instruction	855,949	771,580	739,484	828,427	858,422	1,026,179	1,035,910	949,973	909,103	780,307
School Sponsored	891,595	826,011	796,478	817,591	809,589	903,586	896,352	877,030	813,316	837,571
Support Services:										
Tuition	1,145,831	1,249,325	1,403,336	1,614,797	1,808,883	1,888,122	1,516,554	1,206,520	1,204,106	1,320,514
Student & Instruction Related Services	6,497,374	5,956,952	5,772,075	5,807,888	5,606,567	6,458,910	5,867,320	5,492,798	4,705,990	4,589,935
School Administrative Services	1,656,965	1,625,720	1,582,254	1,552,632	1,486,937	515,428	584,012	720,066	506,363	484,317
General & Business Administrative Services	601,789	586,391	637,961	522,019	496,433	1,878,967	1,771,923	1,837,361	1,829,094	1,737,531
Central Office & Technology Services	822,106	722,295	704,166	717,657	664,378	801,699	755,325	709,560	724,576	650,674
Plant Operations & Maintenance	3,819,478	4,017,460	3,778,797	3,807,687	3,576,440	4,371,506	4,342,287	4,053,655	4,128,597	4,343,102
Pupil Transportation	2,286,504	2,385,180	2,283,414	2,586,046	1,927,589	2,550,631	2,530,435	2,542,987	2,421,515	2,355,307
Allocated Benefits	-	-	-	-	-	6,714,526	2,811,542	3,183,332	2,474,537	2,158,567
Unallocated Benefits	8,136,550	9,944,553	12,745,811	7,310,413	17,766,768	-	-	-	-	-
Special Schools	-	-	-	-	-	4,477	-	-	-	-
Charter Schools	29,960	-	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	1,188,361	1,261,494	1,325,162	1,256,569	1,783,349	1,874,615	1,941,677	1,973,098	2,001,334	2,072,048
On-Behalf TPAF Pension & Social Security Contributions	6,763,164	6,829,273	8,662,050	4,464,162	-	-	-	-	-	-
Adjustment to Capital Assets	-	-	37,392	20,590	-	-	-	-	-	-
Unallocated Depreciation	1,745,061	1,851,971	1,852,521	1,635,975	1,708,492	1,702,526	1,724,580	1,865,929	2,056,443	1,360,714
Amortization of Debt Issuance Costs	-	-	-	-	-	-	-	23,478	-	23,478
Unallocated Compensated Absences	-	-	-	-	145,112	-	-	-	-	-
Total Governmental Activities Expenses	51,406,514	52,558,023	56,326,340	46,800,762	51,743,787	47,193,317	42,727,585	41,907,648	39,974,567	38,586,035
Business-Type Activities:										
Community District Alliance	929,104	1,053,771	1,056,716	1,058,297	1,018,752	992,079	904,975	814,073	701,470	675,613
Food Service	568,676	687,181	821,766	795,927	792,625	751,901	731,614	696,724	784,264	741,888
Total Business-Type Activities Expense	1,497,780	1,740,952	1,878,482	1,854,224	1,811,377	1,743,980	1,636,589	1,510,797	1,485,734	1,417,501
Total District Expenses	52,904,294	54,298,975	58,204,822	48,654,986	53,555,164	48,937,297	44,364,174	43,418,445	41,460,301	40,003,536
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	-	-	-	-	-	881,361	722,944	899,221	881,504	1,041,527
Operating Grants & Contributions	9,316,352	11,141,187	15,422,930	5,440,043	11,709,591	7,817,957	3,975,830	4,403,431	3,761,352	3,515,934
Total Governmental Activities Program Revenues	9,316,352	11,141,187	15,422,930	5,440,043	11,709,591	8,699,318	4,698,774	5,302,652	4,642,856	4,557,461
Business-Type Activities:										
Charges for Services:										
Food Service	300,405	427,511	452,041	448,143	408,372	412,591	414,681	399,383	426,936	436,567
Community District Alliance	717,414	1,015,065	1,028,710	1,045,617	986,957	943,985	946,733	815,745	857,343	583,040
Operating Grants & Contributions	378,737	407,393	412,773	424,494	434,585	413,459	381,865	356,625	364,096	333,191
Total Business Type Activities Program Revenues	1,396,556	1,849,969	1,893,524	1,918,254	1,829,914	1,770,035	1,743,279	1,571,753	1,648,375	1,352,798
Total District Program Revenues	10,712,908	12,991,156	17,316,454	7,358,297	13,539,505	10,469,353	6,442,053	6,874,405	6,291,231	5,910,259

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net/(Expense)/Revenue:										
Governmental Activities	(42,090,162)	(41,416,836)	(40,903,410)	(41,360,719)	(40,034,196)	(38,493,999)	(38,028,811)	(36,604,996)	(35,331,711)	(34,028,574)
Business-Type Activities	(101,224)	109,017	15,042	64,030	18,537	26,055	106,690	60,956	162,641	(64,703)
Total District-Wide Net Expense	(42,191,386)	(41,307,819)	(40,888,368)	(41,296,689)	(40,015,659)	(38,467,944)	(37,922,121)	(36,544,040)	(35,169,070)	(34,093,277)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	30,261,873	29,668,503	28,841,670	27,980,272	27,203,066	26,630,061	25,579,178	24,613,704	24,131,082	23,744,262
Taxes Levied for Debt Service	2,965,990	2,989,824	2,874,360	3,256,422	3,260,409	3,043,674	2,712,127	2,712,124	2,680,506	2,680,506
Unrestricted Grants & Contributions	9,957,602	9,562,820	8,897,162	8,988,893	8,580,348	8,366,014	8,317,443	8,167,105	7,762,512	7,182,584
Restricted Grants & Contributions	88,087	90,164	-	-	-	-	-	-	-	-
EDA Grant not restricted to specific functions	-	-	-	-	-	-	-	-	-	-
Tuition Received	821,650	496,408	527,883	833,054	1,047,875	-	-	-	-	-
Rents and Royalties	1,175	1,369	2,287	2,025	3,287	-	-	-	-	-
Investment Earnings	-	-	-	-	-	457	676	2,122	5,014	6,199
Miscellaneous Income	762,090	573,067	471,234	694,432	695,517	783,395	488,150	510,056	479,398	723,078
Transportation Fees from Other LEAs Within State	54,557	78,648	172,596	138,367	113,504	-	-	-	-	-
Transfers	-	-	36,955	(1,142)	(26,407)	30,592	45,110	-	-	-
Extraordinary Item - Fire Loss Impairment-Buses	-	-	-	-	-	-	-	-	-	(92,775)
Extraordinary Item - Insurance Proceeds for Fire Loss-Buses	-	-	-	-	-	-	-	-	450,022	246,668
Special Item - Capital Lease Buyout	-	-	-	-	-	-	-	-	-	(86,527)
Adjustment to Capital Assets	(193,045)	-	-	-	-	-	-	-	-	-
Cancellation of Account Receivables/ Payables	-	675	-	(27)	20	-	-	-	-	-
Prior Year Write-Offs (net)	-	-	-	-	-	762	-	-	-	-
Total Governmental Activities	44,719,979	43,261,478	41,824,147	41,892,296	40,877,619	38,854,955	37,142,684	36,005,111	35,508,534	34,403,995
Business-Type Activities:										
Transfers	-	(21,649)	(36,955)	(9,851)	(10,865)	(30,592)	(45,110)	-	-	-
Net (Increase)/Decrease in Capital Assets	-	-	-	-	-	(1,040)	-	-	-	-
Total Business-Type Activities	-	(21,649)	(36,955)	(9,851)	(10,865)	(31,632)	(45,110)	-	-	-
Total District-Wide	44,719,979	43,239,829	41,787,192	41,882,445	40,866,754	38,823,323	37,097,574	36,005,111	35,508,534	34,403,995
Change in Net Position:										
Governmental Activities	2,629,817	1,844,642	920,737	531,577	843,423	360,956	(886,127)	(599,885)	176,823	375,421
Business-Type Activities	(101,224)	87,368	(21,913)	(54,179)	7,672	(5,577)	61,580	60,956	162,641	(64,703)
Total District	\$ 2,528,593	\$ 1,932,010	\$ 898,824	\$ 585,756	\$ 851,095	\$ 355,379	\$ (824,547)	\$ (538,929)	\$ 339,464	\$ 310,718

**BORDENTOWN REGIONAL SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	5,704,895	4,217,965	3,279,681	2,030,232	716,311	842,219	1,109,192	1,608,911	1,729,906	929,984
Assigned	1,484,305	1,425,659	1,357,185	1,569,650	1,975,437	1,331,249	559,498	761,457	569,552	652,052
Unassigned	-	48,530	70,352	132,684	98,700	(245,081)	(448,346)	(298,121)	(248,268)	(126,589)
Total General Fund	7,189,200	5,692,154	4,707,218	3,732,566	2,790,448	1,928,387	1,220,344	2,072,247	2,051,190	1,455,447
All Other Governmental Funds:										
Restricted	265,128	315,128	365,128	402,899	1,074,832	-	-	-	-	-
Assigned, Reported in:										
Capital Projects Fund	-	-	-	-	-	452,899	708,844	957,697	1,339,484	2,178,263
Debt Service Fund	-	-	-	-	-	-	-	(4)	(4)	(4)
Unassigned, Reported in:										
Debt Service Fund	-	-	-	131,574	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 265,128	\$ 315,128	\$ 365,128	\$ 534,473	\$ 1,074,832	\$ 452,899	\$ 708,844	\$ 957,693	\$ 1,339,480	\$ 2,178,259

**BORDENTOWN REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Taxes Local	\$ 33,227,863	\$ 32,658,327	\$ 31,716,030	\$ 31,236,694	\$ 30,463,475	\$ 29,673,735	\$ 28,291,305	\$ 27,325,828	\$ 26,811,588	\$ 26,424,768
Tuition Charges	821,650	496,408	527,883	833,054	1,047,875	881,361	722,944	899,221	881,504	1,041,527
Transportation	-	78,648	172,596	138,367	113,504	-	-	-	-	-
Interest Earnings	-	-	-	-	-	457	676	2,122	5,014	6,199
Miscellaneous	1,171,784	922,312	473,521	696,457	698,804	656,405	417,481	445,099	419,237	656,484
Local Sources	-	-	-	-	-	206,035	152,826	147,054	134,377	139,377
State Sources	15,876,099	14,937,117	13,802,223	13,427,684	12,347,288	11,736,072	11,350,455	11,627,980	10,342,697	9,350,449
Federal Sources	903,217	751,177	977,525	1,001,252	1,044,160	967,074	942,818	942,556	1,181,167	1,348,069
Total Revenue	52,055,170	49,843,989	47,669,778	47,333,508	45,715,106	44,121,139	41,878,505	41,389,860	39,775,584	38,966,873
Expenditures:										
Instruction:										
Regular Instruction	11,249,003	10,969,909	10,535,966	10,480,471	9,965,239	10,257,059	10,130,247	10,019,740	9,577,867	9,482,923
Special Education Instruction	3,716,823	3,559,909	3,469,473	3,377,838	3,139,589	3,186,798	3,288,128	3,425,294	3,608,899	3,776,138
Other Special Instruction	-	-	-	-	-	816,252	801,629	781,318	735,627	624,840
Other Instructional	855,949	771,580	739,484	828,427	858,422	761,321	737,922	733,924	706,974	704,413
School Sponsored	891,595	826,011	796,478	817,591	809,589	-	-	-	-	-
Support Services:										
Tuition	1,145,831	1,249,325	1,403,336	1,614,797	1,808,883	1,888,122	1,516,554	1,206,520	1,204,106	1,320,514
Student & Instruction Related Services	6,497,374	5,956,952	5,772,075	5,807,888	5,606,567	5,449,824	4,772,649	4,662,160	3,982,886	3,826,634
School Administrative Services	1,656,965	1,625,720	1,582,254	1,552,632	1,486,937	1,504,693	1,524,861	1,491,828	1,439,956	1,434,687
General & Business Administration Services	1,423,895	1,308,686	1,342,127	1,239,676	1,160,811	1,174,904	1,178,899	1,117,063	1,093,738	1,010,093
Plant Operations & Maintenance	3,923,518	4,111,760	3,874,172	3,891,616	3,720,150	3,822,782	3,689,763	3,573,345	3,603,386	3,849,549
Pupil Transportation	2,286,504	2,385,180	2,283,414	2,372,456	1,715,380	1,770,620	1,762,287	1,704,136	1,647,528	1,557,314
Allocated Benefits	-	-	-	-	594,917	-	-	-	-	-
Unallocated Benefits	6,865,864	6,392,100	6,333,256	6,078,790	9,861,969	9,309,738	9,634,426	9,246,000	8,232,012	7,566,334
On-Behalf TPAF Pension and Social Security Contributions	5,999,826	5,653,054	4,938,998	4,464,162	-	-	-	-	-	-
Expenditures (continued):										
Special Schools	-	-	-	-	-	4,477	-	-	-	-
Capital outlay	763,237	730,956	550,511	1,121,324	312,122	840,747	778,737	444,597	608,882	5,968,179
Debt service:										
Principal	2,000,000	1,950,000	1,895,000	2,216,381	1,880,000	1,775,000	1,455,000	1,540,000	1,465,000	1,030,000
Interest & Other Charges	1,336,763	1,408,763	1,347,927	1,279,150	1,624,290	1,701,790	1,753,265	1,804,665	1,855,180	1,887,427
Total Expenditures	50,613,148	48,899,905	46,864,471	47,143,199	44,544,865	44,264,127	43,024,367	41,750,590	39,762,041	44,039,045
Excess (Deficiency) of Revenues Over/(Under) Expenditures	1,442,022	944,084	805,307	190,309	1,170,241	(142,988)	(1,145,862)	(360,730)	13,543	(5,072,172)

**BORDENTOWN REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Other Financing Sources/(Uses):										
Prior Year Receivable	-	-	-	-	-	(28)	-	-	-	-
Proceeds of Refunding Bonds	-	-	-	30,997,105	-	-	-	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-	(30,823,415)	-	-	-	-	-	-
Capital Leases										
(Nonbudgeted)	34,984	-	-	38,929	-	563,731	-	-	-	-
Cancellation of Account Payable	-	675	-	-	20	-	-	-	-	-
Cancellation of Account Receivable	-	-	-	(27)	-	-	-	-	-	-
Other	-	-	-	-	-	790	-	-	(9,911)	-
Transfers in	-	-	-	-	(17)	286,807	294,436	764,670	326,407	6,199
Transfers Out	(29,960)	(9,823)	-	(1,142)	(26,390)	(256,214)	(249,326)	(764,670)	(326,407)	(6,199)
Total Other Financing Sources/ (Uses)	5,024	(9,148)	-	211,450	(26,387)	595,086	45,110	-	(9,911)	-
Special & Extraordinary Items (Uses):										
Copier Lease Buyout	-	-	-	-	-	-	-	-	(696,690)	(86,526)
Insurance Proceeds from Fire Loss - Buses	-	-	-	-	-	-	-	-	450,022	246,668
Total Other Financing Sources/(Uses)	10,048	(18,296)	-	249,210	(52,774)	-	-	-	(246,668)	160,142
Net Change in Fund Balances	\$ 1,447,046	\$ 934,936	\$ 805,307	\$ 401,759	\$ 1,143,854	\$ 452,098	\$ (1,100,752)	\$ (360,730)	\$ (243,036)	\$ (4,912,030)
Debt Service as a Percentage of Noncapital Expenditures	6.69%	6.97%	7.00%	7.60%	7.92%	8.01%	7.59%	8.10%	8.48%	7.66%

Source: District Records

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION REVENUE	RESTRICTED			SOLAR SREC'S	P.I.L.O.T.	MISCELLANEOUS	TOTAL
			RENTALS	FUEL CO-OP					
2020	\$ 53,870	\$ 821,650	\$ 1,175	\$ 61,123	\$ 100,057	380,533	\$ 221,065	\$ 1,639,472	
2019	71,065	496,409	1,369	72,167	99,025	191,398	230,685	1,162,118	
2018	10,812	412,196	1,219	93,896	85,150	-	414,900	1,018,173	
2017	2,810	833,054	2,025	147,686	105,373	66,695	310,278	1,667,777	
2016	2,515	1,038,395	3,288	153,468	114,275	60,038	295,798	1,557,063	
2015	1,852	881,361	2,257	206,035	91,823	31,935	341,800	1,257,345	
2014	2,386	805,876	14,733	152,826	69,318	-	212,206	1,447,155	
2013	1,026	899,221	10,284	147,054	65,095	-	324,475	1,192,982	
2012	2,845	886,704	-	-	120,764	-	182,669	1,592,040	
2011	4,032	1,041,527	-	-	69,326	-	477,155	1,324,012	

Source: District records

**BORDENTOWN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
Bordentown Township												
2020	\$ 28,265,401	\$ 858,252,073	\$ 3,009,400	\$ 122,540	\$ 210,549,855	\$ 51,021,389	\$ 34,707,800	\$ 1,185,928,458	\$ 3,082,928	\$ 1,189,011,386	2.176%	\$ 1,446,213,680
2019	25,637,901	858,462,573	1,814,600	188,400	212,348,055	37,127,789	34,707,800	1,170,287,118	3,196,272	1,173,483,390	2.147%	1,356,868,043
2018	38,222,725	858,120,773	1,814,600	201,200	190,043,430	31,303,789	34,707,800	1,154,414,317	3,192,718	1,157,607,035	2.128%	1,346,888,715
2017	42,441,925	857,230,173	1,938,200	243,100	188,835,830	30,786,689	34,707,800	1,156,183,717	3,138,486	1,159,322,203	2.090%	1,336,837,548
2016	34,563,000	856,370,143	3,275,200	217,800	195,968,230	31,785,689	34,707,800	1,156,887,862	3,215,382	1,160,103,244	1.905%	1,281,120,896
2015	30,989,400	856,847,870	3,282,200	217,800	197,933,650	32,639,389	34,707,800	1,156,618,089	3,036,590	1,159,654,679	1.875%	1,280,644,111
2014	31,600,800	851,703,725	1,789,600	257,500	219,945,806	34,548,800	34,707,800	1,174,554,031	3,159,995	1,177,714,026	1.873%	1,300,579,669
2013	37,400,800	841,210,500	2,017,200	269,200	205,437,900	34,952,500	34,707,800	1,155,995,900	3,603,878	1,159,599,778	1.826%	1,280,524,125
2012	48,400,900	839,651,800	2,098,900	269,200	205,987,000	35,082,500	34,707,800	1,166,198,100	4,683,360	1,170,881,460	1.767%	1,307,261,379
2011	63,821,300	1,057,960,900	2,476,400	272,200	269,614,600	45,462,200	43,036,900	1,482,644,500	4,524,928	1,487,169,428	1.371%	1,403,246,154
Bordentown City												
2020	\$ 5,237,300	\$ 244,697,800	-	-	\$ 44,076,300	\$ 14,735,600	\$ 24,936,300	\$ 333,683,300	\$ 529,919	\$ 334,213,219	1.977%	\$ 362,925,967
2019	4,026,800	242,879,000	-	-	44,486,300	14,735,600	25,051,300	331,179,000	546,057	331,725,057	2.026%	352,748,902
2018	5,074,900	241,903,400	-	-	46,189,600	14,635,600	25,036,300	332,839,800	500,198	333,339,998	1.969%	368,888,259
2017	4,888,100	241,501,000	-	-	45,814,100	12,335,600	25,016,300	329,555,100	464,447	330,019,547	1.915%	344,467,683
2016	4,990,900	242,244,200	-	-	46,255,100	12,650,600	25,016,300	331,157,100	483,323	331,640,423	2.039%	337,951,070
2015	4,812,700	243,789,600	-	-	46,689,200	12,902,700	25,016,300	333,210,500	446,106	333,656,606	1.978%	340,006,383
2014	4,853,700	244,895,500	-	-	46,988,000	16,502,700	25,181,300	338,421,200	450,733	338,871,933	1.784%	345,321,007
2013	4,806,700	245,552,200	-	-	50,460,900	16,552,600	25,985,000	343,357,400	512,096	343,869,496	1.676%	350,412,636
2012	5,908,300	292,188,050	-	-	53,331,700	16,517,600	26,575,300	394,520,950	556,037	395,076,987	1.399%	358,885,692
2011	6,178,400	293,129,600	-	-	55,828,300	18,017,600	27,775,300	400,929,200	503,525	401,432,725	1.364%	379,955,730
Borough of Fieldsboro												
2020	\$ 1,190,300	\$ 42,448,000	-	-	\$ 1,901,800	\$ 10,300,000	\$ -	\$ 55,840,100	\$ 47,867	\$ 55,887,967	1.876%	\$ 59,124,018
2019	1,421,000	41,280,800	-	-	1,901,800	10,300,000	-	54,903,600	49,777	54,953,377	1.877%	54,466,290
2018	1,908,100	38,704,900	-	-	1,901,800	10,300,000	-	52,814,800	46,094	52,860,894	1.874%	56,275,519
2017	1,908,100	38,838,800	-	-	1,901,800	10,300,000	-	52,948,700	48,801	52,997,501	1.744%	51,852,636
2016	1,908,100	38,611,200	-	-	1,901,800	10,300,000	-	52,721,100	48,577	52,769,677	1.677%	46,507,072
2015	1,788,600	39,044,400	-	-	1,901,800	10,300,000	-	53,034,800	49,127	53,083,927	1.637%	46,784,058
2014	1,788,600	42,093,200	-	-	1,901,800	10,300,000	-	56,083,600	48,871	56,132,471	1.556%	49,470,443
2013	1,775,300	41,982,000	-	-	1,901,800	10,300,000	-	55,959,100	54,353	56,013,453	1.545%	49,366,214
2012	1,775,300	41,872,600	-	-	2,083,600	10,300,000	-	56,031,500	44,879	56,076,379	1.446%	53,210,739
2011	1,775,300	41,974,800	-	-	2,365,400	10,300,000	-	56,415,500	44,879	56,460,379	1.409%	57,558,897

Source: District records Tax list summary & Municipal Tax Assessor

BORDENTOWN REGIONAL SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

(rate per \$100 of assessed value)

TOWNSHIP OF BORDENTOWN

Fiscal Year Ended June 30,	BORDENTOWN REG. SCHOOL DIST.			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt		Township of Bordentown	Farmland/ Municipal Open Space	County Library/Other	Burlington County	
		Service ^b	Total Direct					
2011	1.234	0.137	1.371	0.379	0.030	0.068	0.315	2.163
2012	1.590	0.176	1.766	0.522	0.030	0.081	0.355	2.754 R
2013	1.648	0.178	1.826	0.549	0.045	0.034	0.365	2.819
2014	1.687	0.186	1.873	0.544	0.046	0.034	0.366	2.863
2015	1.771	0.207	1.978	0.540	0.075	0.035	0.370	2.998
2016	1.823	0.215	2.039	0.540	0.074	0.035	0.370	3.058
2017	1.872	0.218	2.090	0.541	0.076	0.082	0.384	3.173
2018	1.934	0.194	2.128	0.541	0.076	0.082	0.384	3.211
2019	1.953	0.194	2.147	0.557	0.067	0.039	0.416	3.226
2020	1.984	0.192	2.176	0.557	0.028	0.042	0.466	3.269

CITY OF BORDENTOWN

Fiscal Year Ended June 30,	BORDENTOWN REG. SCHOOL DIST.			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt		City of Bordentown	County Open Space	County Library/Other	Burlington County	
		Service ^b	Total Direct					
2011	1.223	0.137	1.360	0.794	0.000	0.068	0.300	2.522
2012	1.260	0.140	1.400	0.811	0.000	0.067	0.290	2.568
2013	1.513	0.164	1.677	0.954	0.015	0.032	0.348	3.026 R
2014	1.607	0.177	1.784	0.973	0.016	0.032	0.344	3.149
2015	1.678	0.197	1.875	0.992	0.043	0.034	0.363	3.307
2016	1.704	0.201	1.905	1.012	0.041	0.032	0.341	3.331
2017	1.715	0.200	1.915	1.021	0.042	0.033	0.352	3.363
2018	1.790	0.179	1.969	1.021	0.042	0.033	0.352	3.417
2019	1.843	0.183	2.026	1.065	0.032	0.034	0.359	3.516
2020	1.802	0.175	1.977	1.064	0.022	0.034	0.379	3.476

BOROUGH OF FIELDSBORO

Fiscal Year Ended June 30,	BORDENTOWN REG. SCHOOL DIST.			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt		Borough of Fieldsboro	County Open Space	County Library/Other	Burlington County	
		Service ^b	Total Direct					
2011	1.268	0.141	1.409	0.680	0.000	0.071	0.314	2.474
2012	1.301	0.144	1.445	0.669	0.000	0.075	0.329	2.518
2013	1.394	0.151	1.545	0.569	0.014	0.031	0.332	2.491
2014	1.402	0.154	1.556	0.569	0.014	0.029	0.311	2.479
2015	1.465	0.172	1.637	0.569	0.037	0.030	0.313	2.586
2016	1.500	0.177	1.677	0.569	0.039	0.03	0.322	2.637
2017	1.562	0.182	1.744	0.568	0.041	0.032	0.343	2.728
2018	1.703	0.171	1.874	0.568	0.041	0.032	0.343	2.858
2019	1.708	0.170	1.878	0.567	0.033	0.034	0.362	2.874
2020	1.709	0.166	1.875	0.567	0.022	0.035	0.385	2.884

Source: District Records and Municipal Tax Collector and/or Abstract of Ratables

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy to namely a 2% increase above the prior year, plus certain permitted adjustments.

R Reassessment year

^a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

^b Rates for debt service are based on each year's requirements.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

	2020			2011		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
BORDENTOWN TOWNSHIP						

DATA NOT AVAILABLE

Total	\$	-	0.00%	\$	-	0.00%
Total Municipal Assessment	\$	-		\$	-	

BORDENTOWN CITY

DATA NOT AVAILABLE

Total	\$	-	0.00%	\$	-	0.00%
Total Municipal Assessment	\$	-		\$	-	

BOROUGH OF FIELDSBORO

DATA NOT AVAILABLE

Total	\$	-	0.00%	\$	-	0.00%
Total Municipal Assessment	\$	-		\$	-	

Source: Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
Bordentown Township			
2020	41,847,394	41,358,056	98.83%
2019	41,066,052	32,510,498	79.17%
2018	41,393,070	39,826,137	96.21%
2017	39,109,133	38,536,811	98.54%
2016	38,234,984	37,817,282	98.91%
2015	37,418,378	36,517,398	97.59%
2014	35,228,117	34,879,814	99.01%
2013	35,560,199	34,442,130	96.86%
2012	34,378,206	33,903,048	98.62%
2011	33,598,186	33,202,342	98.82%
Bordentown City			
2020	11,709,913	11,305,202	96.54%
2019	11,701,604	11,184,580	95.58%
2018	11,568,494	11,130,870	96.22%
2017	11,184,464	10,902,874	97.48%
2016	11,061,946	10,732,562	97.02%
2015	11,034,024	10,693,230	96.91%
2014	10,693,203	10,267,168	96.02%
2013	10,436,703	10,033,759	96.14%
2012	10,051,489	9,580,737	95.32%
2011	10,176,142	9,597,984	94.32%
Borough of Fieldsboro			
2020	1,578,349	1,549,062	98.14%
2019	1,031,702	1,006,219	97.53%
2018	1,563,243	1,515,632	96.95%
2017	1,445,772	1,392,301	96.30%
2016	1,391,536	1,344,482	96.62%
2015	1,373,802	1,297,264	94.43%
2014	1,392,299	1,312,349	94.26%
2013	1,400,857	1,343,514	95.91%
2012	1,412,586	1,331,565	94.26%
2011	1,396,830	1,327,881	95.06%

Source: Municipal records.

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES					TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME		PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION	BOND ANTICIPATION		CAPITAL LEASES				
			NOTES (BANs)						
2020	\$ 26,754,000	\$ -	\$ -	\$ 149,031	\$ 26,903,031	N/A	N/A		
2019	28,754,000	-	-	218,087	28,972,087	N/A	N/A		
2019	30,704,000	-	-	312,387	31,016,387	N/A	N/A		
2018	32,599,000	-	-	413,607	33,012,607	3.50%	1,993		
2016	37,664,000	-	-	470,375	38,134,375	4.42%	2,314		
2015	39,544,000	-	-	559,538	40,103,538	4.44%	2,453		
2014	41,319,000	-	-	-	41,319,000	4.79%	2,572		
2013	42,774,000	-	-	96,170	42,870,170	5.23%	2,703		
2012	44,314,000	-	-	188,954	44,502,954	5.48%	2,801		
2011	45,779,000	-	-	357,098	46,136,098	5.88%	2,907		
2010	46,809,000	-	-	516,534	47,325,534	6.27%	2,986		

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements

BORDENTOWN REGIONAL SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual			
	General Obligation Bonds	Deductions		Taxable Value of Property	Debt per Capita	Population *	Taxable Value of Property
2020	\$ 26,754,000	\$ -	\$ 26,754,000	1.69%	\$ 1,690	15,831	\$ 1,579,112,572
2019	28,754,000	-	28,754,000	1.84%	1,766	16,286	1,560,161,824
2019	30,704,000	-	30,704,000	1.99%	1,863	16,479	1,542,339,251
2018	32,599,000	-	32,599,000	2.11%	1,978	16,463	1,542,339,251
2017	37,664,000	-	37,664,000	2.44%	2,304	16,479	1,544,513,344
2016	39,544,000	-	39,544,000	2.56%	2,419	16,349	1,546,395,212
2015	41,319,000	-	41,319,000	2.63%	2,572	16,062	1,572,718,430
2014	42,774,000	-	42,774,000	2.67%	2,697	15,862	1,599,482,727
2013	44,314,000	-	44,314,000	2.73%	2,789	15,887	1,622,034,826
2011	45,779,000	-	45,779,000	2.36%	2,884	15,872	1,943,115,532

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

* Current year population estimated at the previous year amount.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2020**

<u>Governmental Unit</u>	DECEMBER 31, 2019 DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE (a)	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Bordentown Township	\$ 25,143,250	100.00%	\$ 25,143,250
Bordentown City	9,627,682	100.00%	9,627,682
Fieldsboro Borough	289,350	100.00%	289,350
Other Debt:			
Bordentown Sewer Authority	12,591,971	100.00%	12,591,971
Burlington County	221,311,009	3.56%	<u>7,869,569</u>
Subtotal, Overlapping Debt			55,521,822
Bordentown Regional School District Bonded Debt - June 30, 2020			<u>26,754,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 82,275,822</u></u>

Sources: Each entity's finance records and information provided by the County Finance Office

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the above. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	62,451,515	68,469,829	68,469,829	68,469,829	67,728,025	68,242,015	69,654,030	75,302,140	75,332,196	75,736,915
Total Net Debt Applicable to Limit	26,754,000	28,754,000	30,704,000	32,599,000	37,664,000	39,544,000	41,319,000	42,774,000	44,314,000	45,779,000
Legal Debt Margin	\$ 35,697,515	\$ 39,715,829	\$ 37,765,829	\$ 35,870,829	\$ 30,064,025	\$ 28,698,015	\$ 28,335,030	\$ 32,528,140	\$ 31,018,196	\$ 29,957,915
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	42.84%	42.00%	44.84%	47.61%	55.61%	57.95%	59.32%	56.80%	58.82%	60.44%

Legal Debt Margin Calculation for Fiscal Year 2020:

Average Equalized Valuation Basis for the Three Years 2017 to 2020:

Bordentown Township	\$ 1,346,664,769
Bordentown City	355,368,281
Fieldsboro	54,198,148
	<u>\$ 1,756,231,198</u>

Average Equalized Valuation of Taxable Property	1,756,231,198
Debt Limit (4 % of Average Equalization Value)	70,249,248
Net Bonded School Debt	26,754,000
Legal Debt Margin	43,495,248

Source: Abstract Ratables and District Records

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

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
Bordentown Township				
2020	11,367	N/A	N/A	3.30%
2019	11,914	N/A	N/A	3.40%
2018	11,946	N/A	N/A	3.40%
2017	12,095	N/A	N/A	3.50%
2016	12,223	694,413,076	56,812	3.70%
2015	11,935	659,134,245	55,227	4.20%
2014	11,625	624,808,875	53,747	5.30%
2013	11,423	591,540,055	51,785	4.40%
2012	11,427	587,233,530	51,390	8.80%
2011	11,414	570,186,370	49,955	8.50%
Bordentown City				
2020	3,924	N/A	N/A	3.20%
2019	3,792	N/A	N/A	3.20%
2018	3,801	N/A	N/A	3.30%
2017	3,835	N/A	N/A	3.70%
2016	3,848	218,612,576	56,812	3.70%
2015	3,882	214,391,214	55,227	5.10%
2014	3,903	209,774,541	53,747	5.50%
2013	3,907	202,323,995	51,785	8.80%
2012	3,925	201,705,750	51,390	9.60%
2011	3,921	195,873,555	49,955	9.30%
Fieldsboro Borough				
2020	540	N/A	N/A	3.30%
2019	552	N/A	N/A	4.00%
2018	539	N/A	N/A	4.80%
2017	533	N/A	N/A	4.80%
2016	533	30,280,796	56,812	8.80%
2015	532	29,380,764	55,227	11.50%
2014	534	28,700,898	53,747	8.30%
2013	532	27,549,620	51,785	15.50%
2012	535	27,493,650	51,390	15.00%
2011	537	26,825,835	49,955	15.30%

Source:

a Population information provided by the NJ Dept of Labor and Workforce Development.

b Personal income has been estimated based upon the municipal population and per capita personal income pr

c Per capita personal income by municipality based on projected 2016 information. (As adjusted annually)

d Unemployment data provided by the NJ Dept of Labor and Workforce Development.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO**

EMPLOYER	2020		PERCENTAGE OF TOTAL EMPLOYMENT
	EMPLOYEES	RANK	

Information not available

2011	
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Information not available

Source: Comprehensive Annual Financial Reports of Individual School Districts

**BORDENTOWN REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR**

<u>Function/Program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Instruction:										
Regular	168	168	165	169	174	177	171	174	150	142
Special Education	65	70	72	72	78	86	96	107	106	92
Other Instruction	14	13	13	14	16	17	13	14	13	13
Adult/Continuing Education	6	6	3	5	5	4	4	4	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & Instruction Related Services	33	33	32	32	36	37	35	33	33	33
School Administrative Services	40	40	42	43	42	43	46	42	61	58
General Administrative Services	2	2	2	2	2	2	2	2	1	1
Plant Operations & Maintenance	40	43	41	43	46	44	43	42	41	43
Pupil Transportation	33	33	46	43	39	37	36	35	35	35
Business & Other Support Services	1	1	1	1	1	1	1	1	1	1
Total	402	409	417	424	439	448	447	454	441	418

Source: District Personnel Records

**BORDENTOWN REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			HIGH SCHOOL	AVERAGE		% CHANGE IN AVERAGE DAILY ATTENDANCE	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY SCHOOL	MIDDLE SCHOOL	SCHOOL		DAILY ENROLLMENT (ADE) (c)	DAILY ATTENDANCE (ADA) (d)		
2020	2,342	\$ 46,513,148	\$ 19,860	15.46%	235	12:1	13:1	13:1	2,368	2,305	-7.54%	97.34%	
2019	2,474	\$ 44,810,186	\$ 18,112	5.30%	224	12:7:1	15:1	13:1	2,388	2,312	-6.76%	96.82%	
2018	2,504	\$ 43,071,033	\$ 17,201	0.67%	211	12:0:1	14:0:1	13:0:1	2,561	2,464	2.77%	96.21%	
2017	2,489	\$ 42,526,344	\$ 17,086	21.68%	212	11:0:1	13:0:1	12:0:1	2,492	2,382	-0.04%	95.59%	
2016	2,558	\$ 40,728,453	\$ 14,041	0.35%	211	13:3:1	14:0:1	14:0:1	2,493	2,391	12.45%	95.91%	
2015	2,574	\$ 36,015,036	\$ 13,992	-0.58%	218	13:0:1	14:0:1	14:0:1	2,217	2,146	-11.71%	96.80%	
2014	2,561	\$ 36,042,451	\$ 14,074	2.84%	213	12:3:1	13:0:1	14:0:1	2,511	2,429	0.68%	96.73%	
2013	2,503	\$ 34,253,248	\$ 13,685	3.99%	214	11:1:1	11:0:1	9.5:1	2,494	2,379	2.80%	95.39%	
2012	2,464	\$ 32,426,539	\$ 13,160	-1.01%	212	10:3:1	12:0:1	11.5:1	2,426	2,347	0.71%	96.74%	
2011	2,461	\$ 32,718,416	\$ 13,295	0.01%	217	9.3:1	10.9:1	11.8:1	2,409	2,335	0.38%	96.93%	

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)

**Bordertown Regional School District
School Building Information
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Elementary</u>										
Clara Barton Elementary School (1953)	51,432	51,432	51,432	51,432	51,432	51,432	51,432	51,432	51,432	51,432
Square Feet	346	346	346	346	346	346	346	346	346	346
Capacity (students)	249	237	247	253	240	235	247	240	241	233
Enrollment										
Peter Muschal Elementary School (1953)	83,309	83,309	83,309	83,309	83,309	83,309	83,309	83,309	83,309	83,309
Square Feet	517	517	517	517	517	517	817	817	817	817
Capacity (students)	612	642	622	602	608	580	543	515	574	522
Enrollment										
<u>Intermediate School</u>										
MacFarland Intermediate School (1924)	61,837	61,837	61,837	61,837	61,837	61,837	61,837	61,837	61,837	61,837
Square Feet	334	334	334	334	334	334	334	334	334	334
Capacity (students)	345	381	394	405	406	409	379	387	294	244
Enrollment										
<u>Middle School</u>										
Bordertown Regional Middle School (1965)	87,720	87,720	87,720	87,720	87,720	87,720	87,720	87,720	87,720	87,720
Square Feet	545	545	545	545	545	545	545	545	545	545
Capacity (students)	541	524	535	563	577	614	590	626	595	576
Enrollment										
<u>High School</u>										
Bordertown Regional High School (2006)	192,000	192,000	192,000	192,000	192,000	192,000	192,000	192,000	192,000	192,000
Square Feet	1,102	1,102	1,102	1,102	1,102	1,102	1,102	1,102	1,102	1,102
Capacity (students)	716	694	705	738	743	720	730	736	770	767
Enrollment										
<u>Other</u>										
James F. Black Administration Building	2,990	2,990	2,990	2,990	2,990	2,990	2,990	2,990	2,990	2,990
Square Feet	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transportation (1990)										
Square Feet										

Number of Schools at June 30, 2020

Elementary = 3

Middle School = 1

High School = 1

Other = 2

Source: District records, ASSA [Generally per 10/15 on-roll ASSA count date]

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of construction and additions. Enrollment is base on the annual October district count.

The District opened a new 9-12 High School and reconfigured the remaining buildings to adjust the number of students per building. The elementary Schools are PreK-3, the Intermediate School is grades 4 & 5, and the middle school (old High School) is grades 6-

**BORDENTOWN REGIONAL SCHOOL DISTRICT
GENERAL FUND
SCHEDULED OR REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
For the Fiscal Year Ended June 30, 2011 to 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
School Facilities										
James Black Dist. Admin. Building	7,642	6,830	7,195	5,418	5,733	6,121	5,133	5,218	5,550	2,838
Transportation / Bus Building	11,463	10,246	10,793	7,740	7,166	7,651	6,416	6,522	6,937	4,745
Bordentown Regional Middle School	160,563	157,952	166,393	142,420	131,136	140,009	117,404	119,353	128,333	83,250
Clara Barton School	97,437	87,087	91,741	81,273	73,809	78,803	66,080	67,177	71,450	48,811
MacFarland Intermediate School	122,274	109,286	115,126	99,850	92,440	98,695	82,760	84,134	89,486	58,686
Peter Muschal School	166,216	148,561	156,499	134,680	123,254	131,593	110,347	112,179	119,315	79,064
Bordentown Regional High School	363,368	333,835	351,673	302,643	283,053	302,205	253,414	257,620	272,621	180,306
	928,963	853,797	899,420	774,024	716,591	765,077	641,554	652,203	693,692	457,700
Other Facilities	-	-	-	-	-	-	-	-	-	-
Grand Total	<u>928,963</u>	<u>853,797</u>	<u>774,024</u>	<u>716,591</u>	<u>765,077</u>	<u>641,554</u>	<u>652,203</u>	<u>693,692</u>	<u>457,700</u>	<u>477,700</u>

*School Facilities as defined under EFCFA (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

**BORDENTOWN REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2020
UNAUDITED**

I. Inland Marine and Automobile Physical Damages	
A. Limits of Liability	\$175,000,000 Per Occurrence
1. BCIP JIF Self Insured Retention	\$250,000 Per Occurrence
2. Member District Deductible	\$500 Per Occurrence
3. Perils included	"All Risk"
B. Property Valuation	
1. Buildings and Contents	Replacement Cost
2. Contractors Equipment	Actual Cash Value
3. Automobiles	Replacement Cost
II. Boiler and Machinery	
A. Limits of Liability	\$125,000,000
1. BCIP JIF Self Insured Retention	None
2. Member District Deductible	\$1,000
III. Crime	
A. Limits of Liability	\$5000,000
1. BCIP JIF Self-Insured Retention	\$250,000
2. Member District Deductible	\$500
IV. General and Automobile Liability	
A. Limits of Liability	\$20,000,000
1. BCIP JIF Self Insured Retention (SIR)	\$250,000
2. Member District Deductible	None
V. Workers' Compensation	
A. Limits of Liability	Statutory
1. BCIP JIF Self Insured Retention	\$250,000
2. Member District Deductible	None
VI. Educator's Legal Liability	
A. Limits of Liability	\$20,000,000
1. BCIP JIF Self Insured Retention	\$175,000
2. Member District Deductible	None
VII. Pollution Legal Liability (Please see Certificate of Coverage for Covered Districts)	
A. Limits of Liability	\$3,000,000
1. BCIP JIF Self Insured Retention	None
2. Member District Deductible	\$25,000
3. Member District Deductible – Mold Incident	\$100,000
VIII. Cyber Liability (Please see Certificate of Coverage for Covered Districts)	
A. Limits of Liability	\$1,000,000
1. BCIP JIF Self Insured Retention	None
2. Member District Deductible	\$25,000

**BORDENTOWN REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2020
UNAUDITED**

IX. Violent Malicious Acts

A. Limits of Liability	\$1,000,000
1. BCIP JIF Self Insured Retention	None
2. Member District Deductible	\$15,000

X. Disaster Management Services

A. Limits of Liability	\$2,000,000
B. BCIP JIF Self Insured Retention	None
C. Member District Deductible	\$15,000

Excess and Reinsurance Carriers Involved

Property and Crime

SPELL JIF, Great American Insurance Company
Maxum Insurance Company
Westchester Fire Insurance Company
Mitsui Sumitomo Insurance Company of America
Ironshore Specialty Insurance Company
Evanston Insurance Company
RSUI Indemnity Company
James River Insurance Company
BRIT / Lloyd's of London
Colony Insurance Company
Diamond State Insurance Company

General Liability and Automobile Liability

SPELL JIF, Great American Insurance Company

Workers Compensation

SPELL JIF, Great American Insurance Company,
Safety National Casualty Corp.

Educators Legal Liability

SPELL JIF, Great American Insurance Company

Group Purchase of Primary Insurance Coverage Carrier Array

Boiler and Machinery	Travelers Insurance Company
Pollution Legal Liability*	Beazley / Lloyd's of London,
Cyber Liability*	Starr Surplus Lines Ins. Co.
Violent Malicious Acts	Lloyd's of London
Disaster Management Services	Lloyd's of London

* SEE CERTIFICATE OF COVERAGE FOR PARTICIPATING DISTRICTS

The purpose of this document is to highlight major coverages, limits, sub-limits and extensions as afforded through the Burlington County Insurance Pool Joint Insurance Fund (BCIP JIF). This document is not a policy of insurance and in no way modifies, restricts, expands or in any other way changes the coverages afforded through the BCIP JIF. For actual coverage determination, reference must be made to the Fund's Plan of Risk Management and applicable excess insurance policies.

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SINGLE AUDIT SECTION

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

Honorable President and Members
of the Board of Education
Bordentown Regional School District
County of Burlington
Bordentown, New Jersey 08505

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Bordentown Regional School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Bordentown Regional School District's basic financial statements, and have issued our report thereon dated January 14, 2021.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bordentown Regional School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

David T. McNally
Certified Public Accountant
Public School Accountant, No. 20CS00261600

Medford, New Jersey
January 14, 2021



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Bordentown Regional School District
County of Burlington
Bordentown, New Jersey 08505

Report on Compliance for Each Major Federal and State Program

We have audited the Bordentown Regional School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2020. The Bordentown Regional School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

In our opinion, the Bordentown Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

David T. McNally
Certified Public Accountant
Public School Accountant, No. 20CS00261600

Medford, New Jersey
January 14, 2021

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**BORDENTOWN REGIONAL 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	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2019	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENTS	PRIOR YEAR (RECEIVABLES) PAYABLES CANCELED	(ACCOUNTS RECEIVABLE) REVENUE AT JUNE 30, 2020	DUE TO GRANTOR AT JUNE 30, 2020
U.S. DEPARTMENT OF EDUCATION:													
General Fund:													
Medicaid Assistance Program (SEMI)	93.778	2005NJ5MAP	\$ 81,329	9/1/19-8/31/20	\$ -	-	\$ 81,329	\$ (81,329)	-	-	\$ -	\$ -	\$ -
Total General Fund													
FOR THE FISCAL YEAR ENDED JUNE 30, 2020													
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH													
STATE DEPARTMENT OF EDUCATION:													
Special Revenue:													
Special Education Cluster:													
LD.E.A., Part B, Basic Regular	84.027	H027A190100	533,841	7/1/19-6/30/20	-	-	533,841	(533,841)	-	-	-	-	-
LD.E.A., Part B, Preschool	84.173	H173A190114	26,809	7/1/19-6/30/20	-	-	-	(26,809)	-	-	-	(26,809)	-
Total Special Education Cluster													
Title I, Part A	84.010	S010A190030	247,707	7/1/19-6/30/20	(23,653)	-	247,707	(247,707)	-	-	-	-	-
Title I, Part A	84.010	S010A180030	289,143	7/1/18-6/30/19	(23,653)	-	-	-	-	-	-	-	-
Subtotal													
Title II, Part A Improving Teacher Quality	84.367A	S367A190029	41,476	7/1/19-6/30/20	(9,800)	-	34,500	(41,476)	-	-	-	(6,976)	-
Title II, Part A Improving Teacher Quality	84.367A	S367A180029	53,527	7/1/18-6/30/19	9,800	-	9,800	-	-	-	-	-	-
Title II, Part A Improving Teacher Quality	84.367A	S367A160029	47,696	7/1/16-6/30/17	2,000	-	-	-	-	-	-	2,000	-
Subtotal													
Title III, English Language Acquisition & Enhancement	84.365A	S365A190030	10,938	7/1/19-6/30/20	(3,606)	-	9,952	(10,938)	-	-	-	(986)	-
Title III, English Language Acquisition & Enhancement	84.365A	S365A180030	40,443	7/1/18-6/30/19	(3,606)	-	2,943	(10,938)	-	-	-	(663)	-
Subtotal													
Title IV - Student Support and Academic Enrichment (ESSA)	84.424	S424A190031	19,629	7/1/19-6/30/20	(3,213)	-	3,213	(19,629)	-	-	-	-	-
Title IV - Student Support and Academic Enrichment (ESSA)	84.424	S424A180031	20,496	7/1/18-6/30/19	(3,213)	-	-	-	-	-	-	-	-
Total Special Revenue Fund													
Total U.S. Department of Education													
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH													
Enterprise Fund:													
Child Nutrition Cluster:													
Noncash Assistance:	10.550	201NJ304N1099	45,125	7/1/19-6/30/20	-	-	45,125	(45,125)	-	-	-	-	-
Food Distribution Program													
Subtotal													
Cash Assistance:													
School Breakfast Program	10.553	201NJ304N1099	46,299	7/1/19-6/30/20	-	-	46,300	(46,300)	-	-	-	-	-
COVID-19 School Breakfast Program	10.553	201NJ304N1099	23,120	7/1/19-6/30/20	(4,412)	-	15,895	(23,119)	-	-	-	(7,224)	-
School Breakfast Program	10.553	191NJ304N1099	62,430	7/1/18-6/30/19	(4,412)	-	4,412	-	-	-	-	-	-
Subtotal													
National School Lunch Program	10.555	201NJ304N1099	146,634	7/1/19-6/30/20	(14,015)	-	146,634	(146,634)	-	-	-	-	-
COVID-19 National School Lunch Program	10.555	201NJ304N1099	34,328	7/1/19-6/30/20	(14,015)	-	24,637	(34,328)	-	-	-	(9,691)	-
National School Lunch Program	10.555	191NJ304N1099	210,051	7/1/18-6/30/19	(14,015)	-	14,015	-	-	-	-	-	-
Subtotal													
National School Lunch HHHFKA Perf. Based Programs	10.592	201NJ304N1099	6,746	7/1/19-6/30/20	(574)	-	6,746	(6,746)	-	-	-	-	-
COVID-19 National School Lunch HHHFKA Perf. Based Programs	10.592	201NJ304N1099	705	7/1/19-6/30/20	(574)	-	506	(705)	-	-	-	(199)	-
National School Lunch HHHFKA Perf. Based Programs	10.592	191NJ304N1099	8,489	7/1/18-6/30/19	(574)	-	574	-	-	-	-	-	-
Subtotal													
Total Child Nutrition Cluster													
Total Enterprise Fund													
Total U.S. Department of Agriculture													
Total Federal Financial Assistance													
			\$ -		\$ -		\$ 1,271,411	\$ (1,264,686)	\$ -	\$ -	\$ -	\$ (52,548)	\$ 2,000

BORDENTOWN REGIONAL 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	AWARD AMOUNT	GRANT PERIOD	BALANCE AT		CASH RECEIVED	BUDGETARY EXPENDITURES	SUB-RECIPIENT EXPENDITURES	PRIOR YEAR (RECEIVABLES) PAYABLES CANCELED	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2020	UNEARNED REVENUE AT JUNE 30, 2020	MEMO	
				JUNE 30, 2019	JUNE 30, 2020							BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:													
General Fund:													
State Aid Cluster:													
Equalization Aid	495-034-5120-078	\$ 7,115,950	7/1/19-6/30/20	\$ -	\$ -	\$ 7,115,950	\$ (7,115,950)	\$ -	\$ -	\$ -	\$ -	\$ 654,602	\$ 7,115,950
Categorical Special Education Aid	495-034-5120-089	1,470,071	7/1/19-6/30/20	-	-	1,470,071	(1,470,071)	-	-	-	-	135,233	1,470,071
Categorical Security Aid	495-034-5120-084	71,779	7/1/19-6/30/20	-	-	71,779	(71,779)	-	-	-	-	6,603	71,779
Total State Aid Cluster		8,657,800				8,657,800	(8,657,800)					796,438	8,657,800
Categorical Transportation Aid	495-034-5120-014	729,374	7/1/19-6/30/20	-	-	729,374	(729,374)	-	-	-	-	67,096	729,374
Extraordinary Aid	495-034-5120-044	351,506	7/1/19-6/30/20	-	-	(351,506)	(351,506)	-	-	-	-	-	351,506
Additional Nonpublic School Transportation Aid	495-034-5120-044	355,435	7/1/18-6/30/19	(355,435)	-	355,435	(8,873)	-	-	-	-	-	8,873
Additional Nonpublic School Transportation Aid	495-034-5120-014	21,944	7/1/19-6/30/20	(21,944)	-	21,944	(15,411)	-	-	-	-	-	15,411
Dept. of Children & Families Homeless Tuition Aid	495-034-5120-005	15,411	7/1/19-6/30/20	(56,229)	-	56,229	(1,263,041)	-	-	-	-	-	1,263,041
Dept. of Children & Families Homeless Tuition Aid	495-034-5120-005	56,229	7/1/19-6/30/20	(88,608)	-	88,608	(3,453,425)	-	-	-	-	-	3,453,425
Reimbursed TPAF Social Security Contribution	100-034-5094-003	1,215,646	7/1/19-6/30/20	-	-	1,281,157	(1,281,157)	-	-	-	-	-	1,281,157
Reimbursed TPAF Pension Contribution	495-034-5094-002	3,453,425	7/1/19-6/30/20	-	-	2,203	(2,203)	-	-	-	-	-	2,203
On-Behalf TPAF Post Retirement Medical Contribution	495-034-5094-001	1,281,157	7/1/19-6/30/20	-	-	15,847,282	(15,762,790)	-	-	-	-	863,534	15,762,790
On-Behalf TPAF Long-Term Disability Insurance	495-034-5094-004	2,203	7/1/19-6/30/20	(522,216)	-	-	-	-	-	-	-	-	-
Total General Fund						15,847,282	(15,762,790)					863,534	15,762,790
Special Revenue Fund:													
Character Education Aid	495-034-5120-053	5,661	7/1/05-6/30-06	132	-	-	-	-	-	-	132	-	-
Governor's School of Excellence Award	100-034-5063-298	25,000	9/1/05-6/30/06	4,979	-	-	-	-	-	-	4,979	-	-
Total Special Revenue Fund													
Enterprise Fund:													
Adult Basic Skills Grant Program	3-67144-9701	70,162	7/1/19-6/30/20	-	-	62,249	(70,162)	-	-	-	-	-	70,162
Adult Basic Skills Grant Program	3-67144-9701	66,061	7/1/18-6/30/19	(18,797)	-	18,797	-	-	-	-	-	-	-
Total Enterprise Fund						81,046	(70,162)						70,162
Debt Service Fund:													
Debt Service Aid Type II	100-034-5120-125	203,088	7/1/19-6/30/20	-	-	203,088	(203,088)	-	-	-	-	-	203,088
Total Debt Service Fund						203,088	(203,088)						203,088
Total State Department of Education													
				(535,902)		16,131,416	(16,036,040)				5,111	863,534	16,036,040
NJ School Development Authority:													
Capital Projects Fund:													
BRMS - Partial Roof Replacement	0475-055-14-G2VB	473,492	7/1/15-6/30/17	(351,980)	-	-	-	-	351,980	-	-	-	-
Total Capital Projects Fund													
				(351,980)									
Total NJ School Development Authority													
				(351,980)									
State Department of Agriculture:													
Enterprise Fund:													
National School Lunch Program (State Share)	100-010-3350-023	5,618	7/1/19-6/30/20	-	-	5,355	(5,618)	-	-	-	-	-	5,618
National School Lunch Program (State Share)	100-010-3350-023	7,601	7/1/18-6/30/19	(496)	-	496	-	-	-	-	-	-	-
Total Enterprise Fund						5,851	(5,618)						5,618
				(496)									
Total State Department of Agriculture				(496)		5,851	(5,618)						5,618
Total State Financial Assistance						16,137,267	(16,041,658)			5,111		863,534	16,041,658

Less: Grants Not Subject to New Jersey OMB Circular 04-04 and/or 15-08:
 On-Behalf TPAF Pension Contributions (Nonbudgeted) 3,453,425
 On-Behalf TPAF Post-Retirement Medical (Nonbudgeted) 1,281,157
 On-Behalf TPAF Long-Term Disability Insurance (Nonbudgeted) 2,203
Total for State Financial Assistance Subject to New Jersey OMB Circular 04-04 and/or 15-08
 \$ (11,304,873)

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Bordentown Regional School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

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

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

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

Note 3. Relationship to Basic Financial Statements

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

**BORDENTOWN REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Note 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(89,779) for the general fund and \$212,141 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 81,329	\$ 15,673,011	\$ 15,754,340
Special Revenue Fund	821,888	-	821,888
Debt Service Fund	-	203,088	203,088
Food Service Fund	302,957	5,618	308,575
Community District Alliance Fund	-	70,162	70,162
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,206,174</u>	<u>\$ 15,951,879</u>	<u>\$ 17,158,053</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Bordentown Regional School District had no loan balances outstanding at June 30, 2020.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? yes X no

2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027 / 84.173</u>	<u>H027A180100 / H173A180114</u>	<u>I.D.E.A Part B Basic / Preschool</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Dollar threshold used to determine Type A programs \$750,000.00

Auditee qualified as low-risk auditee? X yes no

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

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

State Financial Assistance

Dollar threshold used to determine Type A programs \$750,000.00

Auditee qualified as low-risk auditee? X yes no

Internal control over major programs:

 1) Material weakness(es) identified? yes X no

 2) Significant deficiency(ies) identified? yes X no

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? yes X no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

495-034-5120-078	State Aid - Public:
495-034-5120-084	Equalization Aid
495-034-5120-089	Categorical Security Aid
	Categorical Special Education Aid

**BORDENTOWN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings

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

None.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**BORDENTOWN REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.