

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF

**JAMESBURG BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT**

**13 Augusta Street
Jamesburg, New Jersey 08831**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Prepared by

**Jamesburg Board of Education
Atilla Sabahoglu
School Business Administrator/Board Secretary**

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INTRODUCTORY SECTION



Jamesburg Public Schools

Celebrating Pride in Ourselves, Our Schools, Our Community

13 Augusta Street
Jamesburg, NJ 08831
(732) 521-0303

April 8, 2021

Honorable President and Members
of the Board of Education
Jamesburg Public School District
County of Middlesex, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Jamesburg Public School District (the "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 four sections: introductory, financial, statistical tables and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditors' report thereon. The statistical tables section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and in addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 US *Code of Federal Regulations* Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08. Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Jamesburg Public School District is an independent reporting entity within the criteria adopted by the GASB. All funds of the District are included in this report. The Jamesburg Public Schools Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include general as well as special education. The District completed the 2019-2020 fiscal year with an enrollment of 706 students. The following details the changes in the student enrollment of the District over the last nine (9) years.

Average Daily Enrollment

| <u>Fiscal Year</u> | <u>Student Enrollment</u> | <u>Percent Change</u> |
|--------------------|---------------------------|-----------------------|
| 2019-2020 | 706 | 2.17% |
| 2018-2019 | 691 | (1.29%) |
| 2017-2018 | 700 | 3.55% |
| 2016-2017 | 676 | 0.00% |
| 2015-2016 | 676 | 3.84% |
| 2014-2015 | 651 | 1.24% |
| 2013-2014 | 643 | 4.55% |
| 2012-2013 | 615 | (3.45%) |
| 2011-2012 | 637 | 2.74% |

2. **ECONOMIC CONDITION AND OUTLOOK:** The mayor and council are involved in a number of initiatives to make the Borough more attractive to homeowners, as well as to new and relocating businesses.
3. **MAJOR INITIATIVES:** The District continues to attempt to address the needs of a rapidly expanding ESL population by offering academic support programs aimed at assisting students to read at higher levels. A dual-language program was started in kindergarten in an attempt to immerse students into a world language. The middle school implemented a one-on-one Chrome book initiative and each grade level at the elementary level has access to full carts of these laptops. The K-3rd grade initiated a new math series with subsequent grades adding this program in the coming years.
4. **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District 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. This internal control structure is also subject to periodic evaluation by the District management.

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

5. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual approved appropriated. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect accounting principles generally accepted in the United States of America, 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 the "Notes to the Financial Statements", Note 1.
7. **DEBT ADMINISTRATION:** The District's total outstanding debt as of June 30, 2020 was \$435,000. The remaining annual maturity schedule as of June 30, 2020 for principal as well as annual interest payments are detailed in the "Notes to Financial Statements".
8. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to Financial Statements", Note 2. 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 a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
9. **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.

10. **OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. Gerard Stankiewicz, CPA, PSA of the accounting firm of Samuel Klein and Company, Certified Public Accountants, was selected by the Board's Finance Committee. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 US *Code of Federal Regulations* Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

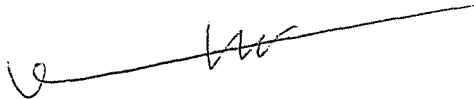
11. **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Jamesburg Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of the District's financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our Business Office.

To the best of our knowledge, the above matters are true and accurate.

Respectfully submitted,



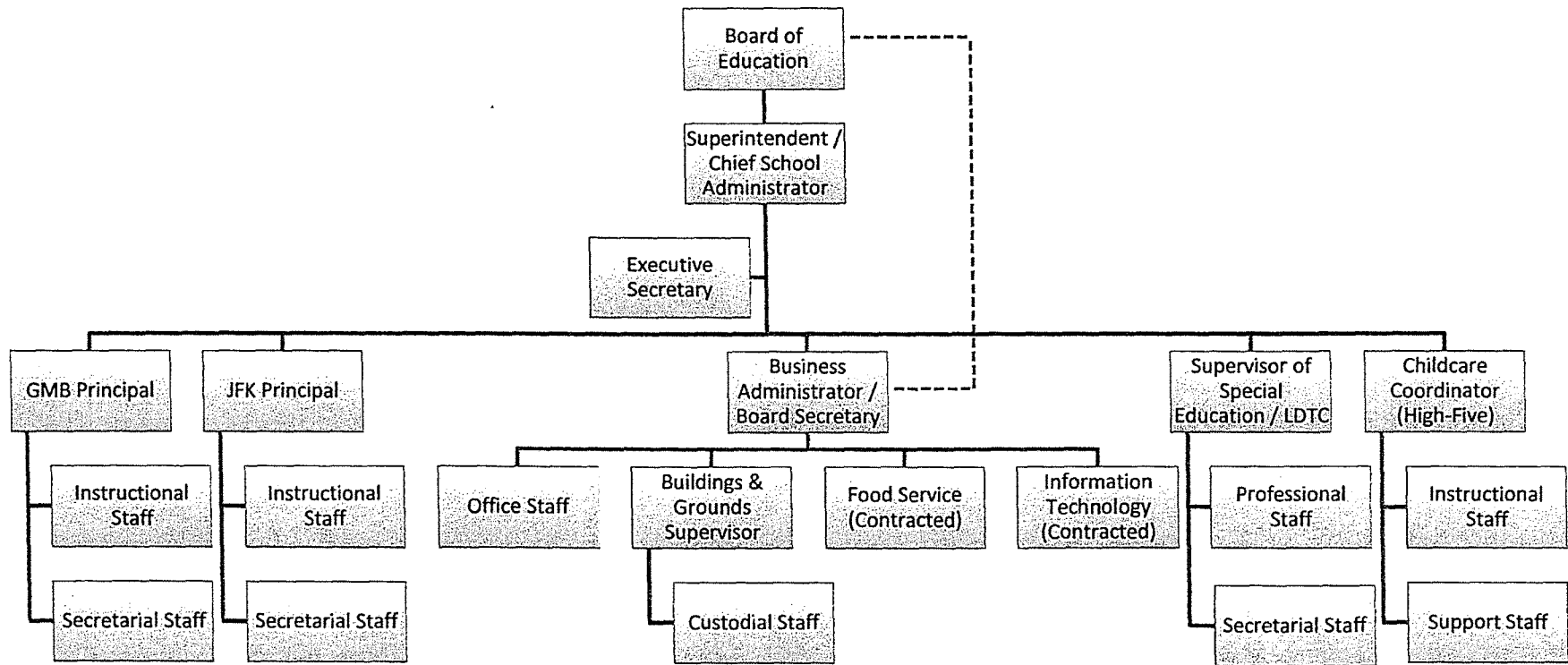
Gina Villani
Superintendent of Schools
[Effective December 16, 2020]



Atilla Sabahoglu
School Business Administrator/Board Secretary
[Effective March 1, 2021]

JAMESBUG BOARD OF EDUCATION

Organizational Chart



JAMESBURG BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2020

Members of the Board of Education *

Term Expires

| | |
|-----------------------------------|-------------------|
| Elliott Stroul, President | December 31, 2021 |
| Paul Rutsky, Vice-President | December 31, 2021 |
| Sarah Grazier | December 31, 2023 |
| Kerryann Holster | December 31, 2022 |
| Anne Luck-Deak | December 31, 2022 |
| Scott Passner | December 31, 2023 |
| Michelle Scott | December 31, 2022 |

Other Officials

- Brian Betze, Superintendent of Schools [*through June 30, 2020*]
- Dennis Fillipone, Superintendent of Schools [*July 1, 2020 – December 15, 2020*]
- Gina Villani, Superintendent of Schools [*effective December 16, 2020*]
- Nick Mackres, School Business Administrator [*through July 31, 2020*]
- Greg Brennan, School Business Administrator [*August 1, 2020 – February 28, 2021*]
- Atilla Sabahoglu, School Business Administrator [*effective March 1, 2021*]
- Scott Frueh, Treasurer of School Funds

JAMESBURG BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

JUNE 30, 2020

AUDIT FIRM

Gerard Stankiewicz, CPA, RMA, PSA
Samuel Klein and Company
36 West Main Street
Suite 303
Freehold, NJ 07728

ATTORNEY

Lenox, Socey, Formidoni, Giordano, Lang, Carrigg & Casey
136 Franklin Corner Road
Lawrenceville, NJ 08648

OFFICIAL DEPOSITORIES

PNC Bank
Two Tower Blvd.
East Brunswick, New Jersey 08816

FINANCIAL SECTION

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Jamesburg Board of Education
Jamesburg Public School District
County of Middlesex, New Jersey

Report on the Financial Statement

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 Jamesburg Board of Education of the Jamesburg Public School District, County of Middlesex, State of New Jersey, as of and for the year ended June 30, 2020 and the related Notes to Financial Statements, which collectively comprise the 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 an opinion 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 *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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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.

INDEPENDENT AUDITOR'S REPORT
(CONTINUED)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business type activities each major fund and the aggregate remaining fund information of the Board of Education of the Jamesburg Public School District, 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 Discussion and Analysis and Budgetary Comparison Information and schedule of the District's proportionate share of the net pension liability – PERS, schedule of District contributions, schedule of the State's proportionate share of the net pension liability associated with the District – TPAF, the District's proportionate share of the net OPEB Liability – PERS and TPAF, and budgetary comparison information as identified 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 Jamesburg Public 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 Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by US Office of Management and Budget *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, and the other information such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

INDEPENDENT AUDITOR'S REPORT
(CONTINUED)

The accompanying Combining and Individual Fund Statements, Long-Term Debt Schedule and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and was 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 and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Combining and Individual Fund Statements, Long-Term Debt Schedule and Schedule 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 other information identified above has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2021, on our consideration of the Jamesburg Public School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 Jamesburg Public 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 Jamesburg Public School District internal control over financial reporting compliance.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY

Freehold, New Jersey
April 8, 2021

REQUIRED SUPPLEMENTARY INFORMATION – PART I



Jamesburg Public Schools

Celebrating Pride in Ourselves, Our Schools, Our Community

13 Augusta Street
Jamesburg, NJ 08831
(732) 521-0303

April 8, 2021

Honorable President and Members
of the Board of Education
Jamesburg Public School District
County of Middlesex, New Jersey

Dear Board Members:

Management's Discussion and Analysis

The following analysis of Jamesburg Board of Education's "*Public School District*" financial performance provides a summary of the district's financial integrity. The intent of the analysis is to provide an interpretation of the financial statements. As you know, school districts operate as a non-profit organization. Yet, GASB No. 34 is instrumental in providing outside entities the opportunity to measure for profit operations. Hence, financial information that is analyzed utilizing GASB No. 34 for non-profit entities is, in our opinion, irrelevant and misleading. School districts are required to account for asset depreciation even though the need to match revenues with purchased assets are not necessary since all similar purchases are budgeted for in capital outlay and expensed in the operating year.

Fund Financial Statements

School Districts utilize two categories for reporting assets. The first category identified as Governmental Funds records the most activity. Governmental Funds reflects activity within the following sub-groups:

General Fund (Fund 10)

Fund 11 Distributed and Undistributed Instructional Accounts – Asset Producing
Fund 12 Capital Outlay – Asset Producing

Special Revenue (Fund 20)

Fund 20 Grants and Entitlements – Asset Producing

Capital Projects (Fund 30)

Fund 30 Capital Projects/Construction in progress – Asset Producing

Debt Service (Fund 40)

Fund 40 Debt Service payments for Bonds and Interest – Non Asset Producing

The second category identified as Business Type Activities, records assets purchased for the following sub-group:

Enterprise (Fund 60)

Fund 60 Enterprise/Food Service/High Five (Childcare) – Asset Producing

Financial Highlights

Key financial highlights for 2020 are as follows:

In total, net position totaled \$5,199,298 which represents a \$1,456,033 or 38.89% increase in the net position from 2019.

General revenues accounted for \$17,492,120 in revenue or 90.98% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and contributions accounted for \$2,355,550 or 9.02% of total revenues of \$19,847,670.

Total assets of governmental activities, exclusive of the Capital Projects Fund, decreased by \$41,990.

The District had \$18,391,637 in expenses; only \$2,355,550 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes and federal and state aid) of \$17,492,120 were adequate to provide for these programs.

Among major funds, the General Fund had \$16,612,817 in revenues and \$16,689,084 in expenditures. The General Fund's fund balance decreased \$76,267 over 2019. The General Fund's fund balance is \$2,378,282. The decrease was caused by higher than anticipated expenditure levels.

The Special Revenue Fund had \$1,830,346 in revenues and \$1,786,313 in expenditures. The Special Revenue Fund deficit decreased by \$44,033. The Special Revenue Fund's fund balance is a deficit of \$83,052, which was caused by a timing difference in the recognition of revenue from the funding source (State of New Jersey).

Using this Comprehensive Annual Financial Report (CAFR)

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Jamesburg Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provides information about the activities of the District, presenting both an aggregate view of the District's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in one column. In the case of the Jamesburg Public School District, the General Fund is by far the most significant.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

This document contains all funds used by the District to provide programs and activities, viewing the District as a whole and reports the culmination of all financial transactions. The report answers the question "How We Did Financially During Fiscal Year 2020". The Statement of Net Position and the Statement of activities provides the summary. The statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and change in those positions. This change in net position is important because they report on whether the District's financial position has improved or diminished.

In the Statement of Net Position and the Statement of Activities, the District is divided into two kinds of activities:

Governmental Activities — All of the District's programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities — This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund and High Five (Childcare) Fund is reported as business activities.

Reporting the District's Most Significant Funds

Fund Financial Statement

The Analysis of the District's major funds begins on page 26. Fund financial reports provide detailed information about the District's major funds. The District's major governmental funds are the General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund.

Governmental Funds

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

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

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

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund, special revenue fund and debt service fund to demonstrate compliance with this budget

The basic governmental fund financial statements can be found on pages 24-25 of this report.

Proprietary Funds

The District maintains one proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 30-32 of this report.

Fiduciary Funds

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

The District uses agency funds to account for resources held for student activities and groups and payroll related liabilities. The fiduciary fund financial statements can be found on pages 33-34 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found on pages 35-89 of this report.

Other Information

Combining fund statements can be found on pages 26-34 and schedules on pages 90-113 of this report.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

The Statement of Net Position provides the financial perspective of the District as a whole.

Table 1 provides a comparative summary of the School District's net position for 2020 and 2019.

Table 1 – Comparative Summary of Net Position

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total School District</u> | |
|---------------------------------------|--------------------------------|---------------------|---------------------------------|-------------------|------------------------------|---------------------|
| | <u>2019-2020</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2018-2019</u> |
| Assets | | | | | | |
| Current and other assets | \$ 2,382,867 | \$ 2,517,677 | \$ 108,231 | \$ 191,989 | \$ 2,491,097 | \$ 2,709,667 |
| Capital assets, net | <u>6,423,030</u> | <u>5,604,272</u> | <u>149,921</u> | <u>176,612</u> | <u>6,572,951</u> | <u>5,780,884</u> |
| Total Assets | <u>\$ 8,805,897</u> | <u>\$ 8,121,949</u> | <u>\$ 258,152</u> | <u>\$ 368,601</u> | <u>\$ 9,064,049</u> | <u>\$ 8,490,550</u> |
| Deferred outflows of resources | | | | | | |
| Loss on Defeasance of Bonds | \$ 4,999 | \$ 9,998 | | | \$ 4,999 | \$ 9,998 |
| Pension | <u>247,719</u> | <u>310,208</u> | | | <u>247,719</u> | <u>310,208</u> |
| Total Deferred outflows of resources | <u>\$ 252,718</u> | <u>\$ 320,206</u> | | | <u>\$ 252,718</u> | <u>\$ 320,206</u> |
| Liabilities | | | | | | |
| Current and other liabilities | \$ 163,994 | \$ 266,207 | \$ 3,176 | \$ 37,821 | \$ 167,170 | \$ 304,028 |
| Net pension liability | 1,107,240 | 1,178,191 | | | 1,107,240 | 1,178,191 |
| Long-term liabilities outstanding | <u>1,964,576</u> | <u>2,645,036</u> | | | <u>1,964,576</u> | <u>2,645,036</u> |
| Total Liabilities | <u>\$ 3,235,810</u> | <u>\$ 4,089,434</u> | <u>\$ 3,176</u> | <u>\$ 37,821</u> | <u>\$ 3,238,986</u> | <u>\$ 4,127,256</u> |
| Deferred inflow of resources | | | | | | |
| Pension | <u>\$ 788,002</u> | <u>\$ 940,236</u> | | | <u>\$ 788,002</u> | <u>\$ 940,236</u> |
| Net Position | | | | | | |
| Net investment in capital assets | \$ 5,976,029 | \$ 4,725,269 | \$ 149,921 | \$ 176,612 | \$ 6,125,950 | \$ 4,901,880 |
| Restricted | 1,240,258 | 1,928,291 | | | 1,240,258 | 1,928,291 |
| Unrestricted (deficit) | <u>(2,275,140)</u> | <u>(3,241,075)</u> | <u>108,231</u> | <u>154,168</u> | <u>(2,166,909)</u> | <u>(3,086,907)</u> |
| Total Net Position | <u>\$ 4,941,146</u> | <u>\$ 3,412,485</u> | <u>\$ 258,151</u> | <u>\$ 330,779</u> | <u>\$ 5,199,298</u> | <u>\$ 3,743,265</u> |

The District's combined net position were \$5,199,298 on June 30, 2020, representing an increase of \$1,456,033 or 38.83% over the net position from the prior year of \$3,743,265.

The largest portion of the District's net position is its net investment in capital assets (e.g., land, construction-in-progress, buildings and improvements, and machinery, equipment and vehicles), less any related debt (bonds payable) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (namely, property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

Capital assets, net increased from the prior year due to the amount of new additions associated with the District's capital projects having exceeded the amount of depreciation of capital assets in the current year.

Long-term liabilities decreased due to the annual principal payment of the bonds payable.

Table 2 shows the comparative change in net position from fiscal year 2020 and 2019.

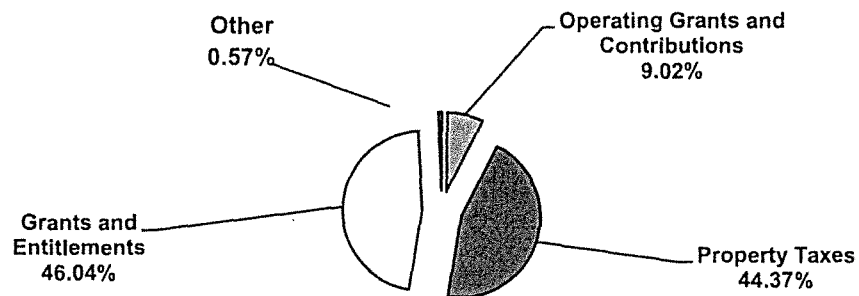
Table 2 – Comparative Change in Net Position

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total School District</u> | |
|--------------------------------------|--------------------------------|---------------------|---------------------------------|--------------------|------------------------------|---------------------|
| | <u>2019-2020</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2018-2019</u> |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | | | \$ 337,955 | \$ 418,591 | \$ 337,955 | \$ 418,591 |
| Operating Grants and Contributions | \$ 1,735,323 | \$ 1,377,553 | 282,272 | 283,390 | 2,017,595 | 1,660,943 |
| General Revenue: | | | | | | |
| Property Taxes | 8,531,366 | 8,531,366 | | | 8,531,366 | 8,531,366 |
| Federal and State Aid | 8,852,897 | 8,819,741 | | | 8,852,897 | 8,819,741 |
| Miscellaneous | 107,857 | 152,020 | | | 107,857 | 152,020 |
| Total Revenue | 19,227,443 | 18,880,680 | 620,227 | 701,981 | 19,847,670 | 19,582,661 |
| Expenses: | | | | | | |
| Instruction | 7,550,595 | 7,320,232 | | | 7,550,595 | 7,320,232 |
| Tuition | 4,668,558 | 4,647,378 | | | 4,668,558 | 4,647,378 |
| Student and Instruction | | | | | | |
| Related Services | 1,949,589 | 1,620,053 | | | 1,949,589 | 1,620,053 |
| General Administration | 894,810 | 1,042,736 | | | 894,810 | 1,042,736 |
| School Administration | 487,439 | 532,368 | | | 487,439 | 532,368 |
| Operation and Maintenance | | | | | | |
| of Facilities | 947,624 | 949,676 | | | 947,624 | 949,676 |
| Pupil Transportation | 1,046,550 | 1,039,306 | | | 1,046,550 | 1,039,306 |
| Interest on Debt | 32,199 | 53,528 | | | 32,199 | 53,528 |
| Charter Schools | 121,420 | 115,948 | | | 121,420 | 115,948 |
| Business Type Activities | | | 692,855 | 779,394 | 692,855 | 779,394 |
| Total Expenses | 17,698,783 | 17,321,225 | 692,855 | 779,394 | 18,391,638 | 18,100,619 |
| Special and Extraordinary Items, Net | | 265,074 | | - | - | 265,074 |
| Change in Net Position | \$ 1,528,660 | \$ 1,824,529 | \$ (72,628) | \$ (77,413) | \$ 1,456,033 | \$ 1,747,116 |
| Net Position - beginning | 3,412,485 | 1,587,956 | 330,779 | 408,192 | 3,743,264 | 1,996,148 |
| Net Position - ending | \$ 4,941,146 | \$ 3,412,485 | \$ 258,151 | \$ 330,779 | \$ 5,199,297 | \$ 3,743,264 |

Governmental Activities

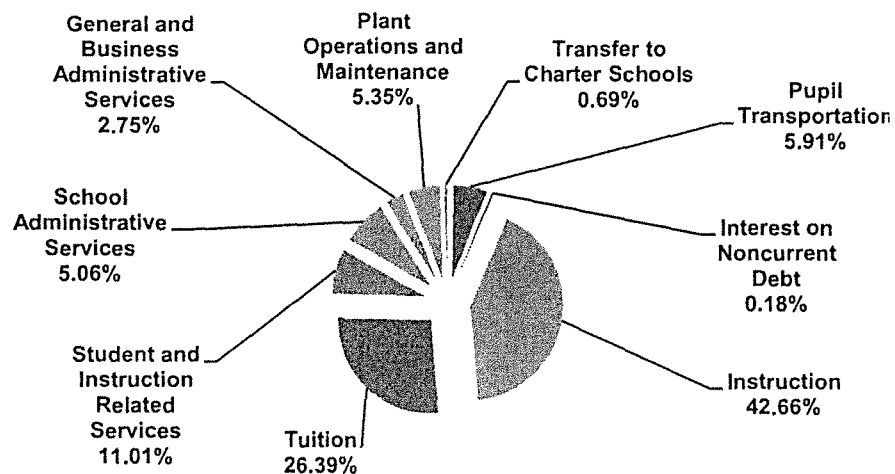
Revenue for Fiscal Year 2020

Total revenues of the Governmental Activities were \$19,227,443 Property taxes as approved made up \$8,531,366 or 44.37% of revenues for governmental activities for the fiscal year 2020. Federal, state and local grants and entitlements and contributions accounted for another \$10,588,220 or 46.04%.



Expenses for Fiscal Year 2020

The total cost of all programs and services was \$17,698,782 Instruction comprises \$7,550,595 or 42.66% of the District's expenses other than capital expenditures.



Expenditures for out-of-district placement of classified students equal about 26.39% of the operating budget. Instructional expenses equal 42.66% of the operating budget. Instructional expenses include teachers' salaries, supplies and textbooks.

Student Support Services include health, social work, child study team and guidance support.

Maintenance and Operations are expenses mandated by the State Department of Education to maintain all building systems. Costs for the maintenance and custodial departments are also included here.

Transportation costs primarily include Special Education students.

General and Business Administrative Services are expenditures associated with the business and financial aspect of the District. Expenditures include payroll, transportation, accounting, accounts payable, benefits processing, technology and personnel departments.

School Administrative Services relates to principals and oversight of the various school buildings.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3 – Comparative Statement of Activities

| | Total Cost of Services | | | Net Cost of Services * | | |
|--|-----------------------------|-----------------------------|---------------------|-------------------------------|-------------------------------|---------------------|
| | <u>2019-2020</u> | <u>2018-2019</u> | <u>% Change</u> | <u>2019-2020</u> | <u>2018-2019</u> | <u>% Change</u> |
| Instruction | \$ 7,550,595 | \$ 7,320,232 | 3.15% | \$ (6,263,391) | \$ (6,337,977) | -1.18% |
| Support Services: | | | | | | |
| Tuition | 4,668,558 | 4,647,378 | 0.46% | (4,668,558) | (4,647,378) | 0.46% |
| Student & Instruction Related Services | 1,949,588 | 1,620,054 | 20.34% | (1,627,677) | (1,349,854) | 20.58% |
| Other Administration | 894,811 | 1,042,737 | -14.19% | (894,811) | (1,042,736) | -14.19% |
| School Administration | 487,439 | 532,368 | -8.44% | (487,349) | (532,368) | -8.46% |
| Operation and Maintenance of Facilities | 947,624 | 949,676 | -0.22% | (947,624) | (949,676) | -0.22% |
| Pupil Transportation | 1,046,550 | 1,039,306 | 0.70% | (1,046,550) | (1,039,306) | 0.70% |
| Interest on Debt | 32,199 | 53,528 | -39.85% | 94,010 | 71,569 | 31.36% |
| Transfer to Charter School | 121,420 | 115,948 | 4.72% | (121,420) | (115,948) | 4.72% |
| Total Expenses | \$ <u>17,698,784</u> | \$ <u>17,321,226</u> | <u>2.18%</u> | \$ <u>(15,963,370)</u> | \$ <u>(15,943,672)</u> | <u>0.12%</u> |

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

Food Service

Food service expenses exceeded revenues by \$16,867. Charges for services represent \$83,463, or 22.86% of revenue and Federal and state reimbursements for meals, including payments for free and reduced lunches was \$282,232, or 77.14% of revenues charge for service. This represents the amount paid by patrons for daily food service and catering. Expenses were \$382,601.

Hi-Five (Childcare)

Charges for services equal \$254,492, or 100% of revenue and expenses were \$310,254. Hi-Five (Childcare) expenses exceeded revenue by \$55,762. Charge for service represents the fees paid by parents and guardians.

The District's Funds

Information about the District's major funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds exclusive of capital projects had total revenues of \$18,897,363 and expenditures of \$18,929,597. The net positive change in overall fund balance for the year was most significant in the General Fund.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds exclusive of the capital projects fund for the fiscal years ended June 30, 2020 and June 30, 2019, and the amount and percentage of total and increases/decreases in relation to prior year revenues.

| Revenue | 2019-2020 | | 2018-2019 | | Increase/ (Decrease) from 2018-2019 to 2019-2020 |
|-----------------|----------------------|---------------------|----------------------|---------------------|---|
| | Amount | Percent of Total | Amount | Percent of Total | |
| Local Sources | \$ 8,673,219 | 45.90% | \$ 8,687,985 | 48.37% | \$ (14,766) |
| State Sources | 9,751,044 | 51.60% | 8,780,698 | 48.88% | 970,346 |
| Federal Sources | <u>473,100</u> | <u>2.50%</u> | <u>494,235</u> | <u>2.75%</u> | <u>(21,135)</u> |
| Total | <u>\$ 18,897,363</u> | <u>100.00%</u> | <u>\$ 17,962,918</u> | <u>100.00%</u> | <u>\$ 934,445</u> |

The decrease in Local Sources is primarily attributed to a decrease in the miscellaneous revenue. The increase in State Sources is attributed to an increase of the TPAF on-behalf pension contributions and increases in other state aid, most of which has to do with pre-school. However, Federal Sources remained comparable.

The following schedule presents a summary of general fund expenditures for the fiscal years ended June 30, 2020 and June 30, 2019 and the amount and percent of the total and increase/(decrease) in relation to prior year expenditures, exclusive of the Capital Projects Fund.

| <u>Expenditures</u> | <u>2019-2020</u> | | <u>2018-2019</u> | | <u>Increase/(Decrease) from 2018-2019 to 2019-2020</u> |
|-------------------------------|----------------------|-----------------------------|----------------------|-----------------------------|--|
| | <u>Amount</u> | <u>Percent of Total</u> | <u>Amount</u> | <u>Percent of Total</u> | |
| Current Expense: | | | | | |
| Instruction | \$ 5,105,001 | 26.96% | \$ 4,883,798 | 27.43% | \$ 221,203 |
| Undistributed Expenditures | 12,039,888 | 63.60% | 11,332,967 | 63.65% | 706,920 |
| Capital Outlay | 1,209,089 | 6.40% | 1,023,202 | 5.76% | 185,887 |
| Debt Service | 454,200 | 2.40% | 450,200 | 2.52% | 4,000 |
| Charter School | 121,420 | 0.64% | 115,948 | 0.65% | 5,472 |
| Total | \$ 18,929,597 | 100.00% | \$ 17,806,115 | 100.00% | \$ 1,123,482 |

The increase in Current Expense – Instruction is attributed to increased costs of salaries of teachers and the increased cost of other instructional programs. The increase in Undistributed Expenses relates to higher administrative and benefits costs.

Debt Service relates to the principal and interest payments on the 2014 Series Refunding Bonds, all of which were for building improvements and renovations.

General Fund Budgeting Highlights

The Jamesburg Public School District's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The district uses four major funds: the General Fund, where the district records its budget for day to day operation; the Special Revenue Fund, where the district records budgeted monies from the State and Federal Governments; the Debt Service Fund, where they record expenses for noncurrent debt and interest payments; and its Proprietary Fund where the district records its operational expenses for its food service program. The most significant budgeted fund and the fund that attracts the most attention is the General Fund.

During the course of the fiscal year 2020, the District amended its General Fund budget as needed. These transfers are approved by the Board of Education and the Executive County Superintendent of Schools. Transfers that occurred during the year were necessitated by:

- Staffing changes based on student needs
- Mid-year salary adjustments as previously agreed upon
- Additional Special Education Students
- Changes in appropriations to prevent budget overruns

In creating its budget the District uses program based budgeting as defined by the State's Chart of Accounts. The budgeting program and purchase order encumbrance system are designed to control budgets and insure fiscal integrity in the district's fiscal program.

The District's final budget for the General Fund anticipated that revenues and expenditures would equal.

Revenue

Miscellaneous revenues of \$71,405 exceeded the anticipated amount of \$51,405 due primarily to refunds of prior year expenditures.

Expenditures

- Regular programs – instructional in total final budget was lower than the original by \$22,637, or .88%. Actual expenditures of \$2,457,509 represents 94.24% of budget. This was caused with need for more supplies.
- Special Education – final budget exceeded the original by \$107,948 or 10.56%. Actual expenditure of \$1,070,137 represents 94.72% of final budget. This was caused by additional needs for special students.
- Total other programs – Instructional final budget exceeded the original by \$46,252 or 9.51%. Actual expenditure of \$488,247 represents 91.66% of final budget. This was caused by an additional need for special students.
- Total instructional expenditures final budget exceeded the original by \$176,837 or 4.32%. Actual total instructional expenditures of \$4,015,893 represent 9.48% of the budget. The increase in the budget was mainly caused by increased expenditures for special education.
- Undistributed – tuition final budget was lower than the original by \$245,559 or 4.67%. The decrease was due to lack of the need for tuition due to other LEA's special within the state. Actual expenditures of \$4,960,824 or 97.55% of final budget.
- Support Services – general administration final budget exceeded the original by \$15,293 or 4.13% due to extra expenses having to do with additional salaries and purchased services. Actual expenditures were \$333,947 or 84.85% of final budget.
- Other Support Services – student related support final budget exceeded the original by \$97,697 or 47.25% due to extra expenses having to do with purchased services. Actual expenditures were \$292,324 or 96.91% of final budget.
- Required maintenance for school facilities final budget exceeded the original by \$3,439 or 1.70%. The increase was due to an increase in expenses related to cleaning, repair, and maintenance services. Actual expenditures of \$170,404 or 86.96% of final budget.
- Undistributed- student transportation services in total final budget exceeded the original by \$8,793 or 1.10%. Expenditures were \$707,528 or 89.76% of final budget.
- Undistributed – unallocated benefits final budget was lower than the original by \$19,985 or 1.25%. The increase was attributed to additional retirement pay. The expenditures were \$1,573,939 or 97.61% of final budget.
- Total undistributed expenditures final budget was lower than the original budget by \$101,140, or 9.55%. Actual expenditures net of on behalf benefit was \$9,935,994 or 94.74% of final budget.
- Total expenditures in final budget were higher by \$16,689,084 or 2.91%. Expenditures net of on behalf payments were \$15,070,602 or 93.14% of final budget. This was due to the expanding educational needs of the students.

Capital Assets

At the end of the fiscal year 2020, the School District had \$13,065,943 invested in buildings, furniture and equipment and vehicles. Table 4 shows fiscal 2020 balances compared to 2019.

Table 4 - Capital Assets (Net of Depreciation) at June 30

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total School District</u> | |
|--------------------------|--------------------------------|---------------------|---------------------------------|-------------------|------------------------------|---------------------|
| | <u>2019-2020</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2018-2019</u> |
| Construction in Progress | | | | | \$ - | \$ - |
| Site and Site | | | | | | |
| Improvements | \$ 254,774 | \$ 277,364 | | | 254,774 | 277,364 |
| Building and Building | | | | | | |
| Improvements | 5,534,766 | 4,976,351 | | | 5,534,766 | \$ 4,976,351 |
| Machinery and | | | | | | |
| Equipment | <u>633,490</u> | <u>350,557</u> | <u>\$ 149,921</u> | <u>\$ 176,611</u> | <u>783,411</u> | <u>527,168</u> |
| Total Capital Assets - | | | | | | |
| Net of Depreciations | <u>\$ 6,423,030</u> | <u>\$ 5,604,272</u> | <u>\$ 149,921</u> | <u>\$ 176,611</u> | <u>\$ 6,572,951</u> | <u>\$ 5,780,883</u> |

Refer to Notes to Financial Statements (Note 5) for more detailed information.

Overall capital assets (net) increased from fiscal year 2020 to fiscal year 2019. The increase in capital assets is primarily due to machinery and equipment additions in excess of annual depreciation.

Debt Administration

At the end of the fiscal year 2020 and 2019, the School District had outstanding debt as follows:

Table 5 – Debt Administration

| | <u>June 30,</u> | |
|----------------------|---------------------|---------------------|
| | <u>2020</u> | <u>2019</u> |
| Tuition Settlement | \$ 1,284,450 | \$ 1,576,716 |
| Compensated Absences | 228,125 | 179,319 |
| Serial Bonds | <u>435,000</u> | <u>855,000</u> |
| Totals | <u>\$ 1,947,575</u> | <u>\$ 2,611,035</u> |

Refer to Notes to Financial Statements (Note 7) for more detailed information.

Contacting the School District's Financial Management

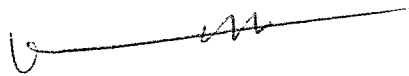
This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Jamesburg Board of Education, 13 Augusta Street, Jamesburg, NJ 08831.

To the best of our knowledge, the above matters are true and accurate.

Respectfully submitted,



Gina Villani
Superintendent of Schools
[Effective December 16, 2020]



Atilla Sabahoglu
School Business Administrator/Board Secretary
[Effective March 1, 2021]

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

| <u>ASSETS</u> | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|--|------------------------------------|-------------------------------------|------------------------|
| Cash and Cash Equivalents | \$ 505,891.31 | \$ 101,899.12 | \$ 607,790.43 |
| Receivables - Net | 1,071,159.03 | | 1,071,159.03 |
| Inventory | | 6,331.51 | 6,331.51 |
| Restricted Cash and Cash Equivalents | 805,816.43 | | 805,816.43 |
| Capital Assets, Net | <u>6,423,030.36</u> | <u>149,920.82</u> | <u>6,572,951.18</u> |
| Total Assets | <u>\$ 8,805,897.13</u> | <u>\$ 258,151.45</u> | <u>\$ 9,064,048.58</u> |
| <u>DEFERRED OUTFLOW OF RESOURCES</u> | | | |
| Pension Obligation | \$ 247,719.00 | | \$ 247,719.00 |
| Unamortized Loss on Early Retirement of Debt | <u>4,999.00</u> | | <u>4,999.00</u> |
| Total Deferred Outflow of Resources | <u>\$ 252,718.00</u> | | <u>\$ 252,718.00</u> |
| <u>LIABILITIES</u> | | | |
| Accounts Payable | \$ 102,208.70 | | \$ 102,208.70 |
| Interfund Payable | 54,535.39 | | 54,535.39 |
| Accrued Interest Payable | 7,250.00 | | 7,250.00 |
| Net Pension Liability | 1,107,240.00 | | 1,107,240.00 |
| Noncurrent Liabilities: | | | |
| Due Within One Year | 818,219.32 | | 818,219.32 |
| Due Beyond One Year | <u>1,146,357.07</u> | | <u>1,146,357.07</u> |
| Total Liabilities | <u>\$ 3,235,810.48</u> | | <u>\$ 3,235,810.48</u> |
| <u>DEFERRED INFLOW OF RESOURCES</u> | | | |
| Pension Obligation | <u>\$ 788,002.00</u> | | <u>\$ 788,002.00</u> |
| <u>NET POSITION</u> | | | |
| Invested in Capital Assets | \$ 5,976,028.84 | \$ 149,920.82 | \$ 6,125,949.66 |
| Restricted for: | | | |
| Other Purposes | 434,441.10 | | 434,441.10 |
| Reserves | 805,816.43 | | 805,816.43 |
| Unrestricted (Deficit) | <u>(2,275,140.03)</u> | <u>108,230.63</u> | <u>(2,166,909.40)</u> |
| Total Net Position | <u>\$ 4,941,146.34</u> | <u>\$ 258,151.45</u> | <u>\$ 5,199,297.79</u> |

See accompanying notes to financial statements.

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| Functions/Programs | Expenses | Program Revenues | | Net (Expense)/Revenue and Change in Net Position | | |
|---|-------------------------|----------------------|------------------------------------|--|--------------------------|---------------------------|
| | | Charges for Services | Operating Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental Activities: | | | | | | |
| Instruction: | | | | | | |
| Regular | \$ 3,634,800.64 | | | \$ (3,634,800.64) | | \$ (3,634,800.64) |
| Special Education | 3,193,648.41 | | \$ 1,287,202.93 | (1,906,445.48) | | (1,906,445.48) |
| Other Special Instruction | 669,390.42 | | | (669,390.42) | | (669,390.42) |
| Other Instruction | 52,755.43 | | | (52,755.43) | | (52,755.43) |
| Support Services: | | | | | | |
| Tuition | 4,668,557.58 | | | (4,668,557.58) | | (4,668,557.58) |
| Student & Instruction Related Services | 1,949,587.83 | | 321,911.01 | (1,627,676.82) | | (1,627,676.82) |
| School Administrative Services | 894,810.55 | | | (894,810.55) | | (894,810.55) |
| General & Business Administrative Services | 487,438.80 | | | (487,438.80) | | (487,438.80) |
| Plant Operations and Maintenance | 947,624.02 | | | (947,624.02) | | (947,624.02) |
| Pupil Transportation | 1,046,549.65 | | | (1,046,549.65) | | (1,046,549.65) |
| Interest on Long-Term Debt | 32,199.00 | | 126,209.00 | 94,010.00 | | 94,010.00 |
| Transfer to Charter Schools | 121,420.00 | | | (121,420.00) | | (121,420.00) |
| Total Governmental Activities | \$ 17,698,782.34 | | \$ 1,735,322.94 | \$ (15,963,459.40) | | \$ (15,963,459.40) |
| Business-Type Activities: | | | | | | |
| Food Service | \$ 382,601.48 | \$ 83,462.58 | \$ 282,272.26 | | \$ (16,866.64) | \$ (16,866.64) |
| High Five (Childcare) | 310,253.30 | 254,492.18 | | | (55,761.12) | (55,761.12) |
| Total Business -Type Activities | \$ 692,854.78 | \$ 337,954.76 | \$ 282,272.26 | | \$ (72,627.76) | \$ (72,627.76) |
| Total Primary Government | \$ 18,391,637.12 | \$ 337,954.76 | \$ 2,017,595.20 | \$ (15,963,459.40) | \$ (72,627.76) | \$ (16,036,087.16) |
| General Revenues | | | | | | |
| Taxes: | | | | | | |
| Property taxes, levied for general purposes | | | | \$ 8,203,375.00 | | \$ 8,203,375.00 |
| Taxes levied for debt service | | | | 327,991.00 | | 327,991.00 |
| Federal and State Aid Not Restricted | | | | 8,852,896.99 | | 8,852,896.99 |
| Miscellaneous Income | | | | 107,857.42 | | 107,857.42 |
| Total General Revenues | | | | \$ 17,492,120.41 | | \$ 17,492,120.41 |
| Change in Net Position - Before Special and Extraordinary Items, Net | | | | \$ 1,528,661.01 | \$ (72,627.76) | \$ 1,456,033.25 |
| Special and Extraordinary Items, Net | | | | | | |
| Change in Net Position | | | | \$ 1,528,661.01 | \$ (72,627.76) | \$ 1,456,033.25 |
| Net Position - Beginning | | | | \$ 3,412,485.33 | \$ 330,779.21 | \$ 3,743,264.54 |
| Net Position - Ending | | | | \$ 4,941,146.34 | \$ 258,151.45 | \$ 5,199,297.79 |

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Debt Service Fund</u> | <u>Total Governmental Funds</u> |
|--|-------------------------------|-------------------------------------|----------------------------------|---|
| <u>ASSETS</u> | | | | |
| Cash and Cash Equivalents | \$ 664,952.47 | | \$ 0.53 | \$ 664,953.00 |
| Intergovernmental Accounts Receivable | 962,048.97 | \$ 109,110.06 | | 1,071,159.03 |
| Restricted Cash and Cash Equivalents | <u>805,816.43</u> | | | <u>805,816.43</u> |
| Total Assets | <u>\$ 2,432,817.87</u> | <u>\$ 109,110.06</u> | <u>\$ 0.53</u> | <u>\$ 2,541,928.46</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | | | |
| Liabilities: | | | | |
| Cash & Cash Equivalents Overdraft | | \$ 159,061.68 | | \$ 159,061.68 |
| Accounts Payable | \$ | 35,111.70 | | 35,111.70 |
| Interfunds Payable | <u>54,535.39</u> | | | <u>54,535.39</u> |
| Total Liabilities | <u>54,535.39</u> | <u>\$ 194,173.38</u> | | <u>\$ 248,708.77</u> |
| Fund Balances: | | | | |
| Restricted: | | | | |
| Capital Reserve Account | \$ 805,816.43 | | | 805,816.43 |
| Maintenance Reserve | 205,815.00 | | | 205,815.00 |
| Reserve for Excess Surplus - Designated for Subsequent Year's Expenditures | 316,819.86 | | | 316,819.86 |
| Assigned - Designated for Subsequent Year's Expenditures Reserve for Excess Surplus | 615,390.09 | | | 615,390.09 |
| Unreserved : | | | | |
| Assigned for Other Purposes | 434,441.10 | | | 434,441.10 |
| Debt Service Fund | | | \$ 0.53 | 0.53 |
| Special Revenue Fund (Deficit) | | <u>\$ (85,063.32)</u> | | <u>(85,063.32)</u> |
| Total Fund Balances | <u>\$ 2,378,282.48</u> | <u>\$ (85,063.32)</u> | <u>\$ 0.53</u> | <u>\$ 2,293,219.69</u> |
| Total Liabilities and Fund Balance | <u>\$ 2,432,817.87</u> | <u>\$ 109,110.06</u> | <u>\$ 0.53</u> | <u>\$ 2,541,928.46</u> |

See accompanying notes to financial statements

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

| | |
|---|------------------------|
| Total Fund Balance above (B-1 Sheet 1 of 2) | \$ 2,293,219.69 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of capital assets is \$12,717,025.86 and the accumulated depreciation is \$6,293,030.56 (See Note 5) | 6,423,030.36 |
| Deferred loss on defeasance of debt, unamortized (See Note 7D) | 4,999.00 |
| Noncurrent liabilities, including bonds, loans, leases payable and compensated absences are not payable in the current period and therefore are not reported as liabilities in the funds (See Note 8). Total Noncurrent Liabilities (See Note 7) | (1,964,576.39) |
| Certain liabilities are not due and payable in the current period, and therefore, are not reported in funds: | |
| Accrued Interest Payable: | |
| (Accrued interest is a current liability that will be paid from the debt service fund. Therefore, the liability reduces the restricted for debt service net asset balance) | (7,250.00) |
| Accrued Pension Liability: | |
| Accrued pension is a current liability that will be paid from the general fund | (67,097.00) |
| Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds. (See Note 9) | (1,647,523.00) |
| Net adjustment to reconcile various expense | <u>(93,656.32)</u> |
| Net position of governmental activities (A-1) | <u>\$ 4,941,146.34</u> |

See accompanying notes to financial statements

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Debt Service Fund</u> | <u>Total Government Funds</u> |
|--|-------------------------|-------------------------------------|----------------------------------|---------------------------------------|
| Revenues | | | | |
| Local Tax Levy | \$ 8,203,375.00 | | \$ 327,991.00 | \$ 8,531,366.00 |
| Interest on investments | 36,452.61 | | | 36,452.61 |
| Miscellaneous | <u>71,404.81</u> | <u>\$ 33,995.47</u> | | <u>105,400.28</u> |
| Total Local Sources | 8,311,232.42 | 33,995.47 | 327,991.00 | 8,673,218.89 |
| State Sources | 8,277,119.47 | 1,347,715.35 | 126,209.00 | 9,751,043.82 |
| Federal Sources | <u>24,465.00</u> | <u>448,635.21</u> | | <u>473,100.21</u> |
| Total Revenues | \$ 16,612,816.89 | \$ 1,830,346.03 | \$ 454,200.00 | \$ 18,897,362.92 |
| Expenditures | | | | |
| Current: | | | | |
| Regular Instruction | \$ 2,457,509.55 | | | \$ 2,457,509.55 |
| Special Education Instruction | 1,070,136.92 | \$ 1,089,107.08 | | 2,159,244.00 |
| Other Special Instruction | 452,578.70 | | | 452,578.70 |
| Other Instruction | 35,668.25 | | | 35,668.25 |
| Support Services and Undistributed Costs: | | | | |
| Tuition | 4,960,823.58 | | | 4,960,823.58 |
| Student and Instruction Related Services | 1,045,606.88 | 272,520.63 | | 1,318,127.51 |
| School Administrative Services | 329,560.17 | | | 329,560.17 |
| Other Administrative Services | 678,091.89 | | | 678,091.89 |
| Plant Operations and Maintenance | 640,694.03 | | | 640,694.03 |
| Pupil Transportation | 707,578.22 | | | 707,578.22 |
| Unallocated Benefits | 3,192,121.06 | 212,891.26 | | 3,405,012.32 |
| Debt Service: | | | | |
| Principal | | | \$ 420,000.00 | 420,000.00 |
| Interest | | | 34,200.00 | 34,200.00 |
| Capital Outlay | 997,294.42 | 211,794.38 | | 1,209,088.80 |
| Transfer to Charter Schools | <u>121,420.00</u> | | | <u>121,420.00</u> |
| Total Expenditures | \$ 16,689,083.67 | \$ 1,786,313.35 | \$ 454,200.00 | \$ 18,929,597.02 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | \$ (76,266.78) | \$ 44,032.68 | | \$ (32,234.10) |
| Net Change in Fund Balances | \$ (76,266.78) | \$ 44,032.68 | | \$ (32,234.10) |
| Fund Balance July 1 | <u>2,454,549.26</u> | <u>(129,096.00)</u> | <u>\$ 0.53</u> | <u>2,325,453.79</u> |
| Fund Balance June 30 | <u>\$ 2,378,282.48</u> | <u>\$ (85,063.32)</u> | <u>\$ 0.53</u> | <u>\$ 2,293,219.69</u> |

See accompanying notes to financial statements

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
RECONCILIATION OF 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 | | \$ (32,234.10) |
| 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 depreciated expense. This is the amount by which capital outlays exceeded depreciation in the period. | | |
| Capital outlay | \$ 1,209,088.80 | |
| Depreciation expense | <u>(390,330.44)</u> | 818,758.36 |
| Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. | | |
| | | 420,000.00 |
| Governmental funds report the effect of premiums and similar items when the debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This represents the following related to the premiums on bonds. | | |
| Amortization of premium | | 17,000.51 |
| Governmental funds report the effect of defeasances and similar items when the debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This represents the following related to the deferred loss of refunding. | | |
| Amortization of deferred loss | | (4,999.00) |
| In the statement of activities, interest on noncurrent debt in the statement of activities is accrued, regardless of when due. In the government funds, interest is reported when due; when the accrued interest is decreased, the difference is a reduction in the reconciliation. | | |
| | | 7,000.00 |
| Net pension obligation related to PERS which is attributable to June 30, 2018 not reported in governmental funds; however, it is reported in the statement of activities | | |
| | | 153,332.00 |
| In the statement of activities, certain operating expenses, e.g. compensated absences (sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation. | | |
| Compensated Absences Payable, Net | | (48,806.19) |
| Tuition settlement | | 292,266.00 |
| Adjustment to reconcile various operating expense | | <u>(93,656.57)</u> |
| Change in Net Position of Governmental Activities (A-2) | | <u>\$ 1,528,661.01</u> |

See accompanying notes to financial statements

PROPRIETARY FUNDS

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PROPRIETARY FUND
STATEMENT OF NET POSITION
JUNE 30, 2020

| | Business-Type Activities - Enterprise Fund | | |
|------------------------------------|---|------------------------------|---------------|
| <u>ASSETS</u> | <u>Food Service</u> | <u>High Five Program</u> | <u>Totals</u> |
| Current Assets: | | | |
| Cash and Cash equivalents | | \$ 105,074.89 | \$ 105,074.89 |
| Inventories | \$ 6,331.51 | _____ | 6,331.51 |
| Total Current Assets | \$ 6,331.51 | \$ 105,074.89 | \$ 111,406.40 |
| Noncurrent Assets: | | | |
| Furniture, machinery and equipment | \$ 219,840.33 | \$ 129,096.52 | \$ 348,936.85 |
| Less: accumulated depreciation | 179,651.55 | 19,364.48 | 199,016.03 |
| Total Noncurrent Assets | \$ 40,188.78 | \$ 109,732.04 | \$ 149,920.82 |
| Total Assets | \$ 46,520.29 | \$ 214,806.93 | \$ 261,327.22 |
| | | | |
| <u>LIABILITIES</u> | | | |
| Current liabilities: | | | |
| Cash & Cash Equivalent | \$ 3,175.77 | _____ | \$ 3,175.77 |
| Total current liabilities | \$ 3,175.77 | _____ | \$ 3,175.77 |
| Total liabilities | \$ 3,175.77 | ===== | \$ 3,175.77 |
| | | | |
| <u>NET POSITION</u> | | | |
| Invested in Capital Assets | \$ 40,188.78 | \$ 109,732.04 | \$ 149,920.82 |
| Unrestricted | 3,155.74 | 105,074.89 | 108,230.63 |
| Total Net Position | \$ 43,344.52 | \$ 214,806.93 | \$ 258,151.45 |

See accompanying notes to financial statements

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Business-Type Activities - Enterprise Fund | | |
|--|---|------------------------------|------------------------|
| | <u>Food Service</u> | <u>High Five Program</u> | <u>Total</u> |
| Operating Revenues: | | | |
| Charges for Services: | | | |
| Daily sales - reimbursable programs | | | |
| School lunch and breakfast program | \$ 61,323.58 | | \$ 61,323.58 |
| Daily sales - non-reimbursable programs | 22,139.00 | | 22,139.00 |
| Childcare Fees | | \$ 254,492.18 | 254,492.18 |
| Total operating revenues | <u>\$ 83,462.58</u> | <u>\$ 254,492.18</u> | <u>\$ 337,954.76</u> |
| Operating Expenses: | | | |
| Cost of sales - reimbursable | \$ 143,526.44 | | \$ 143,526.44 |
| Cost of sales - non-reimbursable | 8,144.74 | | 8,144.74 |
| Salaries | 120,941.05 | \$ 191,681.39 | 312,622.44 |
| Employee Benefits | 42,716.90 | 34,451.57 | 77,168.47 |
| Rent | | 1,200.00 | 1,200.00 |
| Other Purchased Services | 24,143.93 | 11,297.46 | 35,441.39 |
| Supplies and Materials | 13,261.81 | 14,693.71 | 27,955.52 |
| Technical | | 4,618.00 | 4,618.00 |
| Repairs and Maintenance | | 39,401.52 | 39,401.52 |
| Management Fee | 15,100.07 | | 15,100.07 |
| Utilities | 955.51 | | 955.51 |
| Depreciation | 13,811.03 | 12,909.65 | 26,720.68 |
| Total operating expenses | <u>\$ 382,601.48</u> | <u>\$ 310,253.30</u> | <u>\$ 692,854.78</u> |
| Operating income/(loss) | <u>\$ (299,138.90)</u> | <u>\$ (55,761.12)</u> | <u>\$ (354,900.02)</u> |
| Nonoperating Revenues: | | | |
| State Sources: | | | |
| State school lunch program | \$ 3,019.98 | | 3,019.98 |
| Federal Sources: | | | |
| National school lunch program | 138,221.04 | | 138,221.04 |
| Snack Program | 7,438.22 | | 7,438.22 |
| School breakfast program | 30,377.48 | | 30,377.48 |
| Summer Food | 11,496.54 | | 11,496.54 |
| COVID Food | 61,659.34 | | 61,659.34 |
| Food distribution program | 30,059.66 | | 30,059.66 |
| Total nonoperating revenues | <u>\$ 282,272.26</u> | | <u>282,272.26</u> |
| Income/(loss) before contributions and transfers | \$ (16,866.64) | \$ (55,761.12) | \$ (72,627.76) |
| Total net position - beginning | <u>60,211.16</u> | <u>270,568.05</u> | <u>330,779.21</u> |
| Total net position - ending | <u>\$ 43,344.52</u> | <u>\$ 214,806.93</u> | <u>\$ 258,151.45</u> |

See accompanying notes to financial statements

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Business-Type Activities Enterprise Funds | | |
|--|--|------------------------------|------------------------|
| | <u>Food Service</u> | <u>High Five Program</u> | <u>Total</u> |
| <u>Cash Flows from Operating Activities</u> | | | |
| Receipts from Customers | \$ 81,147.27 | \$ 237,562.18 | \$ 318,709.45 |
| Payments for Employee Benefits | (29,360.20) | (19,291.00) | (48,651.20) |
| Payments to Employees | (120,941.05) | (191,681.39) | (312,622.44) |
| Payments to Suppliers | <u>(221,196.25)</u> | <u>(93,269.06)</u> | <u>(314,465.31)</u> |
| Net Cash Provided by/(Used for) Operating Activities | \$ <u>(290,350.23)</u> | \$ <u>(66,679.27)</u> | \$ <u>(357,029.50)</u> |
| <u>Cash Flows from Noncapital Financing Activities</u> | | | |
| State Sources | \$ 3,303.38 | | \$ 3,303.38 |
| Federal Sources | <u>295,549.32</u> | | <u>295,549.32</u> |
| Net Cash Provided by/(Used for) Noncapital Financing Activities | \$ <u>298,852.70</u> | | \$ <u>298,852.70</u> |
| <u>Cash Flows from Capital and Related Financing Activities</u> | | | |
| Acquisition of Capital Assets | | \$ <u>(30.00)</u> | \$ <u>(30.00)</u> |
| Net Cash Provided by/(Used for) Investing Activities | | \$ <u>(30.00)</u> | \$ <u>(30.00)</u> |
| Net Increase/(Decrease) in Cash and Cash Equivalents | \$ 8,502.47 | \$ (66,709.27) | \$ (58,206.80) |
| Balances - Beginning of Year | <u>(11,678.24)</u> | <u>171,784.16</u> | <u>160,105.92</u> |
| Balances - End of Year | <u>\$ (3,175.77)</u> | <u>\$ 105,074.89</u> | <u>\$ 101,899.12</u> |
| <u>Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities</u> | | | |
| Operating Gain/(Loss) | \$ <u>(299,138.90)</u> | \$ <u>(55,761.12)</u> | \$ <u>(354,900.02)</u> |
| Adjustments to Reconcile Operating Loss to Cash Provided/ (Used) by Operating Activities: | | | |
| Depreciation | \$ 13,811.03 | \$ 12,909.65 | \$ 26,720.68 |
| Change in Assets and Liabilities: | | | |
| Increase/(Decrease) in Unearned Revenue | (2,315.31) | (16,930.00) | (19,245.31) |
| (Increase)/Decrease in Inventory | (2,707.05) | | (2,707.05) |
| Increase/(Decrease) in Accounts Payable | | <u>(6,897.80)</u> | <u>(6,897.80)</u> |
| Total Adjustments | \$ <u>8,788.67</u> | \$ <u>(10,918.15)</u> | \$ <u>(2,129.48)</u> |
| Net Cash Provided/(Used) by Operating Activities | \$ <u>(290,350.23)</u> | \$ <u>(66,679.27)</u> | \$ <u>(357,029.50)</u> |

See accompanying notes to financial statements

FIDUCIARY FUNDS

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

| | Trust Fund | | | | Agency Fund | | |
|--|------------------------------|---------------------------|-------------------------------------|-----------------------------|---------------------------|-----------------------------|-----------------------------|
| | Unemployment Compensation | Flex Spending Account | Private Purpose Scholarship Fund | Trust Fund Total | Student Activity | Payroll | Agency Fund Total |
| <u>ASSETS</u> | | | | | | | |
| Cash and Cash Equivalents Due to General Fund | \$ 123,206.48 | \$ 6,375.34 | \$ 4,131.64 | \$ 133,713.46 | \$ 6,660.42 | \$ 52,114.61 54,535.39 | \$ 58,775.03 54,535.39 |
| Total Assets | <u>\$ 123,206.48</u> | <u>\$ 6,375.34</u> | <u>\$ 4,131.64</u> | <u>\$ 133,713.46</u> | <u>\$ 6,660.42</u> | <u>\$ 106,650.00</u> | <u>\$ 113,310.42</u> |
| <u>LIABILITIES</u> | | | | | | | |
| Payable to Student Groups Payroll Deductions and Withholdings | | | | | \$ 6,660.42 | \$ 106,650.00 | \$ 6,660.42 106,650.00 |
| Total Liabilities | | | | | <u>\$ 6,660.42</u> | <u>\$ 106,650.00</u> | <u>\$ 113,310.42</u> |
| <u>NET POSITION</u> | | | | | | | |
| Held in Trust for Unemployment Claims and Other Purposes | \$ 123,206.48 | \$ 6,375.34 | \$ 4,131.64 | \$ 133,713.46 | | | |
| Total Net Position | <u>\$ 123,206.48</u> | <u>\$ 6,375.34</u> | <u>\$ 4,131.64</u> | <u>\$ 133,713.46</u> | | | |

See accompanying notes to financial statements

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
COMBINING STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| | Unemployment Compensation Trust Fund | Trust Fund | | |
|--------------------------------------|--|---------------------------------|-------------------------------------|--------------|
| | | Flexable Spending Account | Private Purpose Scholarship Fund | Total |
| <u>Additions</u> | | | | |
| Contributions: | | | | |
| Employees | \$ 10,989.11 | \$ 14,037.81 | | \$ 14,037.81 |
| Total Contributions | \$ 10,989.11 | \$ 14,037.81 | | \$ 14,037.81 |
| <u>Deductions</u> | | | | |
| Other | \$ 2,637.06 | \$ 11,754.69 | \$ 293.86 | \$ 12,048.55 |
| Total Deductions | \$ 2,637.06 | \$ 11,754.69 | \$ 293.86 | \$ 12,048.55 |
| Change in Net Position | \$ 8,352.05 | \$ 2,283.12 | \$ (293.86) | \$ 1,989.26 |
| Net Position - Beginning of the Year | \$ 114,854.43 | 4,092.22 | \$ 4,425.50 | 8,517.72 |
| Net Position - End of the Year | \$ 123,206.48 | \$ 6,375.34 | \$ 4,131.64 | \$ 10,506.98 |

See accompanying notes to financial statements

NOTES TO THE FINANCIAL STATEMENTS

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Jamesburg Public School District (the "District") is a Type II district located in the County of Middlesex, State of New Jersey. As a Type II district, the District functions independently through a Board of Education (the "Board"). The Board is comprised of seven (7) members elected to three-year terms. The purpose of the District is to educate students in grades K-8. The District had an approximate enrollment at June 30, 2020 of 706 students.

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, childcare initiative and student related activities of the District.

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

Based on the aforementioned criteria, the District has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the District's accounting policies are described below.

A. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

1. Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Basis of Presentation (Continued)

1. Government-Wide Financial Statements (Continued)

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

2. Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

1. Governmental Funds

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

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment that are classified in the Capital Outlay subfund.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting (Continued)

1. Governmental Funds (Continued)

General Fund (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America (GAAP) as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed 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 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). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Permanent Fund - The Permanent Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

2. Proprietary Fund Type

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the District:

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting (Continued)

2. Proprietary Fund Type (Continued)

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

The District's Enterprise Fund consists of the following:

Food Service – This fund provides for the cafeteria operation in all schools within the school district.

High Five (Childcare) – This fund provides for *before*-school childcare for students who are registered in the Jamesburg School District from kindergarten to eighth grade. The fund also provides for a summer program from July to August.

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

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives of the equipment used in the operations of the Enterprise Funds are approximately 10 years.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting (Continued)

3. Fiduciary Funds

Trust and Agency Funds – The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Private Purpose Scholarship Funds

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Expendable Trust Fund includes the Unemployment Compensation Insurance Fund, Flex Spending Account Fund and Scholarship Fund.

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

Agency Funds – Agency Funds are used to account for the assets that the District holds on behalf of others as their agent. Agency Funds are custodial in nature and do not involve measurement of results of operations. Agency Funds include payroll and student activities funds.

C. Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the Statement of Net Position.

2. Fund Financial Statements

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

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus

2. Fund Financial Statements (Continued)

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Fund equity (i.e., net total position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Fiduciary funds are reported using the economic resources measurement focus.

D. Basis of Accounting

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general noncurrent debt which are recorded when due.

Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable."

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the winter of each year for the general, special revenue, and debt service funds. The budgets are approved by the District, submitted to the County office for review and approval and if determined to be within the allowable tax levy cap and within the allowable appropriation cap, become effective upon the holding of a public hearing and final adoption by the District. In accordance with P.L. 2011, c202, which became effective November 17, 2012, the District elected to move the annual School Board election to the date of November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitation of N.J.A.C 6A:23A-2.3 (et seq.).

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 accounting principles generally accepted in the United States of America 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 over-expenditures related to on-behalf payments in the general fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

The following presents a reconciliation of the General Fund revenue and Special Revenue Fund revenue from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Change in Fund Balance - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Change in Fund Balance - All Governmental Fund Types.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets/Budgetary Control (Continued)

| | <u>General Fund</u> | <u>Special Revenue Fund</u> |
|---|-------------------------|---------------------------------|
| Sources/inflows of resources: | | |
| Actual amounts (budgetary) "revenues" from the budgetary comparison schedules. | \$ 16,672,602.24 | \$ 1,893,887.65 |
| Difference - budget to GAAP: | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized. | | |
| June 30, 2019 | None | None |
| June 30, 2020 | None | (57,716.77) |
| State aid payment recognized per GAAP standards in the current year previously recognized for budgetary purposes. | 583,899.00 | 129,096.00 |
| The last State aid payment is recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33). | <u>(643,684.35)</u> | <u>(134,920.85)</u> |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds | <u>\$ 16,612,816.89</u> | <u>\$ 1,830,346.03</u> |
| Uses/outflows of resources: | | |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. | \$ 16,689,083.67 | \$ 1,893,887.65 |
| Differences - budget to GAAP: | | |
| Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes. | | |
| June 30, 2019 | None | None |
| June 30, 2020 | <u>None</u> | <u>(107,574.30)</u> |
| Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. | <u>\$ 16,689,083.67</u> | <u>\$ 1,786,313.35</u> |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. 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 reservations of 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 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.

G. Assets, Liabilities and Equity

1. Cash, Cash Equivalents and Investments

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 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 a 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.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

2. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded in the enterprise funds. All expenses in the other funds are recorded as expenditures during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2019.

3. Allowance for Uncollectible Accounts

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

4. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

5. Tuition Payable

Tuition charges for the fiscal years 2019-2020 and 2018-2019 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

6. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

7. Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$2,000.00. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

7. Capital Assets (Continued)

All reported capital assets except for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method under the half year convention over the following useful lives:

| <u>Asset Class</u> | <u>Estimated Lives</u> |
|-------------------------------|------------------------|
| School Buildings | 50 years |
| Building Improvements | 20 years |
| Electrical/Plumbing | 30 years |
| Vehicles | 6-8 years |
| Office and Computer Equipment | 5-10 years |
| Instructional Equipment | 5-15 years |
| Grounds Equipment | 5-15 years |
| Food Service Equipment | 7-20 years |

8. Deferred Outflows/Inflows of Resources

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

9. 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 sick leave and vacation leave liabilities are reported on the government-wide financial statements.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

9. Compensated Absences (Continued)

For governmental fund financial statements, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

10. Accrued Liabilities and Noncurrent Obligations

All payables, accrued liabilities and noncurrent obligations are reported in the government-wide financial statements.

In general, 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 governmental funds. However, the noncurrent portion of capital leases, compensated absences and loans payable 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

11. Deferred Loss on Refunding of Debt

Deferred loss on refunding arising from issuance of the refunding bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. (Refer to Note 7D)

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

12. Net Position

The adoption of this statement resulted in a change in the presentation of the statement of net position to what is now referred to as the statement of net position and the term "net assets" is changed to "net position" throughout the financial statements. Net Position represents the difference between assets, deferred outflows, deferred inflows and liabilities in the government-wide financial statements. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any noncurrent debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

13. Unearned Revenue

Unearned revenue in all funds represents program revenues that have been received but not yet earned. In the case of Food Service Fund, it is unused food distribution and student deposits for purchasing food in a future period and for Childcare (*High-Five*) advanced payments for the next year summer program.

14. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

15. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five (5) categories, as defined below:

- a. Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, noncurrent receivables and corpus of any permanent funds.
- b. Restricted – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation.
- c. Committed – includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revised or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- d. Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Interest is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- e. Unassigned – includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a position unassigned fund balance amount. In the other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When 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. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

16. Proprietary Funds Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise fund includes the Food Service charges to customers for sales of food service and for the Childcare Initiative and "High-Five" service fees.

Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on Capital Assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

17. Rebatable Arbitrage

Rebatable arbitrage results from investing the proceeds of borrowed funds either directly or indirectly into investments that are higher in yield than the bond yield incurred on the borrowed funds. In accordance with GASB No. 34, rebatable arbitrage is treated like a claim or judgment. All interest income is reported as revenue of the capital projects fund. The liability, if any, is recorded as an accrued arbitrage rebate.

18. Non-Monetary Transactions

Commodities received under the Federal Food Distribution Program are received by the district and are recorded as nonoperating revenue when received in the food service enterprise fund at market value. The use of the commodities is included in cost of sales.

19. On-Behalf Payments

Revenues and expenditures of the general fund include payments made by the State of New Jersey social security and post-retirement medical pension contributions for the certified teachers and other members of the New Jersey Teachers Pension and Annuity Fund. The amounts are not required to be included in the District's annual budget.

20. Allocation of Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Employee benefits, including the employer's share of social security, workers compensation, pension and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified and allocated by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is reported separately on the Statement of Activities. No expenses were allocated as "Indirect Expenses."

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

21. Accounting and Financial Reporting for Pensions

The District implemented GASB No. 68 which relates to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement No. 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement No. 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement No. 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement No. 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events.

22. Accounting and Financial Reporting for Other Post-Retirement Benefits ("OPEB")

In 2018 the District implemented GASB No. 75 which addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, revenues and expense/expenditures. The Statement GASB No. 45 supersedes Accounting and Financial Reporting for Post-Employment Benefits with other than Pension.

The participating local education employer allocations included in the supplemental schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assets, Liabilities and Equity (Continued)

23. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

24. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

H. Other Accounting Standards

The District is currently reviewing the following for applicability and potential impact on the financial statements:

- GASB Statement No. 83. *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2019. The District does not expect this Statement to impact its financial statements.

- GASB Statement No. 84. *Fiduciary Activities*. This objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify component units and postemployment benefit arrangements that are fiduciary activities.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The District does not expect this Statement to impact its financial statements.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Accounting Standards (Continued)

- GASB Statement No. 87. Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The District does not expect this Statement to impact its financial statements.

- GASB Statement No. 88. *Certain Disclosure Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2019. The District does not expect this Statement to impact its financial statements.

- GASB Statement No. 89. *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encourage. The requirements of this Statement should be applied prospectively. The District does not expect this Statement to impact its financial statements.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Accounting Standards (Continued)

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

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis. The District does not expect this Statement to impact its financial statements.

- *GASB Statement No. 91. Conduit Debt Obligations.* The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The District does not expect this Statement to impact its financial statements.

- *GASB Statement 92. Omnibus 2020.* The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

Effective Date: The requirements of this Statement are effective as follows:

(a) The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.

(b) The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Accounting Standards (Continued)

(c) The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.

(d) The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020. Implementation has been postponed to June 15, 2021. The District does not expect this Statement to impact its financial statement.

- *GASB Statement 93. Replacement of Interbank Offered Rates.* The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR).

Effective Date: The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. The District does not expect this Statement to impact its financial statement.

- *GASB Statement 94. Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 and all PPPs should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or if applicable to earlier periods, the beginning of the earliest period restated). Implementation has been postponed to June 15, 2021. The District does not expect this Statement to impact its financial statement.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Accounting Standards (Continued)

- *GASB Statement 95. Postponement of the Effective Dates of Certain Authoritative Guidance.* The primary objective of this Statement is to provide 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, 2019 and later.

Effective Date: The requirements of this Statement are effective immediately. The District does not expect this Statement to impact its financial statement.

- *GASB Statement 96. Subscription-Based Information Technology Arrangements.* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

- *GASB Statement 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.* The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Accounting Standards (Continued)

Effective Date: The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement.

The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

I. Subsequent Events

Management has reviewed and evaluated all events and transactions from June 30, 2020 through April 8, 2021, the date that the financial statements are issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents includes petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less. Cash equivalents are defined as short-term, highly liquid securities that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only securities with original maturities of three (3) months or less meet this definition.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit that have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments. The District is in compliance with GASB Statement No. 3 as amended by GASB Statement No. 40.

A. Deposits

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

As of June 30, 2020, cash and cash equivalents (Deposits) of the District consisted of the following:

| | <u>Cash and Cash Equivalents</u> |
|-------------------------|----------------------------------|
| Reconciliation by Fund: | |
| Governmental | \$ 1,311,707.75 |
| Proprietary | 101,899.72 |
| Fiduciary | <u>192,488.39</u> |
| | <u>\$ 1,606,095.86</u> |

Of the total amount deposits of \$805,816.43 has been earmarked towards the Capital Reserve Account. Refer to Notes to Financial Statements Note 15.

Allocation of Cash and Cash Equivalents:

| | |
|--------------|------------------------|
| Unrestricted | \$ 607,791.04 |
| Restricted | 805,816.43 |
| Fiduciary | <u>192,488.39</u> |
| | <u>\$ 1,606,095.86</u> |

Custodial Credit Risk Analysis

All of the balances were covered by either federal depository insurance or Government Unit Deposit Protection Act coverage ("GUDPA") as of June 30, 2020 and are considered to have minimal custodial risk. Obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are not considered to have concentration of credit risk.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

B. Investments

New Jersey statutes permit the District to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the school district or local unit of which the school district is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.
- Local government investment pools.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

Custodial Credit Risk Analysis

There were no securities held by the District as of June 30, 2020 that could be categorized as an investment as defined by GASB No. 3 as amended by GASB No. 40.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

4. INTERGOVERNMENTAL ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

Intergovernmental accounts receivable at June 30, 2020 consisted of federal source, state source, transportation, tuition and other revenue. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivable follows:

| | Governmental Fund Financial Statements | Business Type Activities |
|-------------------------------------|--|--------------------------------|
| General Fund: | | |
| Intergovernmental: | | |
| Borough: | | |
| Tax Levy | \$ 683,610.00 | |
| State Aid: | | |
| Extraordinary Aid | 260,905.00 | |
| TPAF FICA Reimbursement (on-behalf) | 17,533.97 | |
| | \$ 962,048.97 | |
| Special Revenue Fund: | | |
| Federal: | | |
| Title I | \$ 76,731.54 | |
| Title II | 1,026.00 | |
| Title III | 8,513.46 | |
| Cares Act | 4,734.21 | |
| | \$ 91,005.21 | |
| Local: | | |
| NSLP Grant | \$ 18,104.85 | |
| | \$ 109,110.06 | |
| Proprietary Fund: | | |
| Enterprise Fund - Food Service | | |
| State Source - Lunch | | \$ None |
| Federal Source | | |
| Breakfast | | \$ None |
| Lunch | | None |
| | | \$ None |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

5. CAPITAL ASSETS, NET

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

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Ending Balance</u> |
|--|------------------------------|------------------------|---------------------------|
| <u>Governmental Activities:</u> | | | |
| Capital assets being depreciated: | | | |
| Site and Site Improvements | \$ 451,957.00 | | \$ 451,957.00 |
| Building and Building Improvements | 9,823,359.00 | \$ 839,119.26 | 10,662,478.26 |
| Machinery and Equipment | <u>1,232,621.00</u> | <u>369,969.54</u> | <u>1,602,590.54</u> |
| Total at historical cost | <u>11,507,937.00</u> | <u>1,209,088.80</u> | <u>12,717,025.80</u> |
| Less accumulated depreciation for: | | | |
| Site and Site Improvements | (174,593.00) | (22,590.00) | (197,183.00) |
| Building and Building Improvements | (4,847,008.00) | (280,703.96) | (5,127,711.96) |
| Machinery and Equipment | <u>(882,064.00)</u> | <u>(87,036.48)</u> | <u>(969,100.48)</u> |
| Total accumulated depreciation | <u>(5,903,665.00)</u> | <u>(390,330.44)</u> | <u>(6,293,995.44)</u> |
| Total capital assets being depreciated, net of accumulated depreciation | <u>5,604,272.00</u> | <u>818,758.36</u> | <u>6,423,030.36</u> |
| Governmental activities capital assets, net | <u>\$ 5,604,272.00</u> | <u>\$ 818,758.36</u> | <u>\$ 6,423,030.36</u> |
| <u>Business-Type Activities:</u> | | | |
| Furniture, machinery and equipment | \$ <u>348,936.85</u> | \$ <u>30.00</u> | \$ <u>348,966.85</u> |
| Totals at historical cost | <u>348,936.85</u> | <u>30.00</u> | <u>348,966.85</u> |
| Less accumulated depreciation for: | | | |
| Furniture, machinery and equipment | <u>(172,325.35)</u> | <u>(26,720.68)</u> | <u>(199,046.03)</u> |
| Total accumulated depreciation | <u>(172,325.35)</u> | <u>(26,720.68)</u> | <u>(199,046.03)</u> |
| Business type activities capital assets, net | <u>\$ 176,611.50</u> | <u>\$ (26,690.68)</u> | <u>\$ 149,920.82</u> |
| <u>Governmental Activities:</u> | | | |
| Detail of Additions and (Retirement)/Transfers: | | | |
| General Fund | | \$ 997,294.42 | |
| Special Revenue Fund | | <u>211,794.38</u> | |
| | | <u>\$ 1,209,088.80</u> | |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

5. CAPITAL ASSETS, NET (CONTINUED)

Depreciation expense was charged to functions as follows:

| | |
|--|--------------------------|
| Regular Instruction | \$ 109,264.73 |
| Special Education Instruction | 96,003.38 |
| Other Special Instruction | 20,122.36 |
| Other Instruction | 1,585.87 |
| Support Services and Undistributed Cost: | |
| Student and Instruction Related Services | 46,489.32 |
| School Administrative Services | 14,652.76 |
| Other Administrative Services | 42,265.72 |
| Plant Operations and Maintenance | 28,486.26 |
| Pupil Transportation | <u>31,460.04</u> |
| Total | <u>\$ 390,330.44</u> |

6. INVENTORY

The value of Federal donated commodities as reflected on Schedule A of \$30,059.66 (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of the purchase and has been included as an item of nonoperating revenue in the financial statements. For the year ended June 30, 2020, the federal donated commodities food inventory of \$1,491.00 was included in the year end food and supplies amount of \$6,431.51.

7. NONCURRENT (LONG-TERM) DEBT

During the fiscal year ended June 30, 2020 the following changes occurred in liabilities:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Retirements</u> | <u>Ending Balance</u> | <u>Amounts Due Within Within One Year</u> | <u>Noncurrent Portion</u> |
|---------------------------------|------------------------------|---------------------|------------------------|---------------------------|---|-------------------------------|
| <u>Governmental Activities:</u> | | | | | | |
| Bonds Payable - | | | | | | |
| General Obligation | | | | | | |
| Debt | \$ 855,000.00 | | \$ (420,000.00) | \$ 435,000.00 | \$ 435,000.00 | \$ None |
| Add - Premium on | | | | | | |
| Sale of Bonds | <u>34,001.03</u> | | <u>(17,000.51)</u> | <u>17,000.52</u> | <u>17,000.52</u> | <u>None</u> |
| | 889,001.03 | | (437,000.51) | 452,000.52 | 452,000.52 | None |
| Tuition Settlement | 1,576,716.32 | | (292,266.01) | 1,284,450.31 | 332,000.00 | 952,450.31 |
| Compensated | | | | | | |
| Absences Payable | <u>179,319.11</u> | <u>\$ 48,806.45</u> | | <u>228,125.56</u> | <u>34,218.80</u> | <u>193,906.76</u> |
| | <u>\$ 2,645,036.46</u> | <u>\$ 48,806.45</u> | <u>\$ (729,266.52)</u> | <u>\$ 1,964,576.39</u> | <u>\$ 818,219.32</u> | <u>\$ 1,146,357.07</u> |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

7. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

A. Bonds and loans payable currently outstanding are summarized as follows:

\$2,760,000 School District Refunding Bonds, Series 2014

Refinance \$2,840,000 of the outstanding callable principal amount of the originally issued General Obligation Bonds of 2004 in the amount of \$4,875,000. Annual maturity of \$435,000 with interest rate of 4.0% and a final maturity on February 1, 2021.

\$ 435,000.00

B. Debt Service Requirements

Debt service requirements on serial bonds payable at June 30, 2020 are as follows:

| Fiscal Year Ending June 30 | Principal | Interest | Total |
|----------------------------------|----------------------|---------------------|----------------------|
| 2021 | \$ <u>435,000.00</u> | \$ <u>17,400.00</u> | \$ <u>452,400.00</u> |

C. Bonds and Notes Authorized But Not Issued

There were no Bonds and Notes Authorized but not Issued as of June 30, 2020.

D. Defeasance

As a result of the accounting requirement under GASB Nos. 23/65, Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities, the recording of the transaction related to the new vs. old debt and related costs resulted in accounting losses which in conjunction with the premium will be amortized over the remaining life of the respective bond issues using the "straight-line". The detail of the defeasance for the District is as follows:

Unamortized Loss on Defeasance of Debt

| Refunding Bonds | Loss | Beginning Balance | Amortization | Ending Balance |
|-----------------|------------------|----------------------|-----------------|-------------------|
| 2014 Series | \$ <u>56,940</u> | \$ <u>9,998</u> | \$ <u>4,999</u> | \$ <u>4,999</u> |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

7. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

E. Other

The Bonds are general obligations of the Board and are secured by a pledge of the full faith and credit of the Board for the payment of the principal thereof and the interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes to be levied on all taxable real property in the school district, without limitation as to rate or amount. The Bonds are additionally secured by the provisions of the New Jersey School Bond Reserve Act.

The District, in conjunction with the issuance of the Bonds, has agreed to undertake and provide certain information to Bondholders on a continuing basis. The Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5) "Continuing Disclosure" requirements, which the District has adopted, requires that various financial information about the District and the Municipality be provided annually to various information repositories. The requirement effective for the fiscal year ended June 30, 2019 has been complied with.

Bonds are authorized in accordance with State law by the voters of the Municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

F. Compensated Absence

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 earn sick leave at the rate of one day for each month of service; all unused personal days shall accumulate into accumulated sick time and may be used at the time of retirement.

Upon departure from the district, teachers who have completed ten or more years of employment shall be paid for accumulated sick leave at the rate of 1/2 of the unused accumulated sick leave multiplied by \$105. Support staff who have completed 10 or more years of employment shall be paid at the rate of 1/2 of the unused accumulated sick leave multiplied \$75. All twelve month employees, including office personnel, who are enrolled and vested in the pension system may receive all unused accumulated sick leave multiplied \$90.

For teachers employed after July 1, 2006, the sick leave payment shall be limited to no more than \$12,000.00. For support staff employees, who were employed after July 1, 2007, the sick leave payment shall be limited to no more than \$7,500.00. All twelve month employees, including office personnel, are limited to no more than \$10,000.00.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

7. NONCURRENT (LONG-TERM) DEBT (CONTINUED)

F. Compensated Absence (Continued)

Administrators have individual contracts that mimic the Jamesburg Education Association Agreement in regards to unused accumulated sick time. There is a provision for unused vacation days that accumulates for all administrators and select full time employees, such as secretaries, coordinators and custodians. They will receive up to 5 days of vacation multiplied by 1/250 of the last annual contracted salary.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position in the current and noncurrent liabilities. The current portion of the compensated absence balance of the governmental funds is shown separately from the noncurrent liability balance of compensated absences.

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.

G. Tuition Settlement

The tuition settlement relates to a dispute for high school students that were sent to another district for the years 2011-2012 through 2014-2015. The amount was resolved and although there is not an immediate liability, it will be worked off as the statutory formula for tuition is certified.

8. PENSION PLANS

Description of Plans: All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund that have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division of Pension issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund.

Teachers' Pension and Annuity Fund (TPAF)

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 contribution, 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/annrprts.shtml.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

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

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

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62, and tier 5 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.

Public Employees' Retirement System (PERS)

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/annrprts.shtml.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62, and tier 5 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 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.

Funding Policy: The contribution policy is set by New Jersey Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2011, employee contribution rates for TPAF and PERS increased from 5.5% to 6.5% of employees' annual compensation. An additional increase is to be phased in over the next seven years that will bring the total pension contribution rate to 7.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Funding Policy (Continued):

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, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities total proportionate share of the net pension liability that is associated with the local participating employer.

During the year ended June 30, 2020 for TPAF, which is a cost sharing plan with special funding situations, the annual pension costs equals annual required contribution. For PERS, which is a cost sharing multi-employer pension plan, the annual pension costs differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997.

Three-Year Trend Information for PERS

| <u>Year Ending June 30,</u> | <u>Net Cost to District</u> | <u>Percentage of APC Contributed</u> | <u>Employee Contribution</u> |
|---------------------------------|---------------------------------|--|----------------------------------|
| 2020 | \$ 59,733 | 100% | \$ 34,981 |
| 2019 | 59,520 | 100% | 32,721 |
| 2018 | 55,828 | 100% | 31,295 |

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

| <u>Year Ending June 30</u> | <u>Cost (APC)</u> | <u>APC Contributed</u> | <u>Total On-Behalf of</u> | <u>Employee Contribution</u> | <u>TPAF FICA</u> |
|--------------------------------|-----------------------|----------------------------|-------------------------------|----------------------------------|----------------------|
| 2020 | \$ None | 100% | \$ 915,900 | \$ 373,979 | \$ 361,432 |
| 2019 | None | 100% | 741,728 | 344,485 | 314,570 |
| 2018 | None | 100% | 537,366 | 302,505 | 294,851 |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Funding Policy (Continued):

During the fiscal year ended June 30, 2020, the State of New Jersey contributed \$912,900 to the TPAF for normal pension. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$361,433 during the year ended June 30, 2020 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the individual fund statements and schedules as a revenue and expenditure in accordance with GASB 24.

Public Employees Retirement System (PERS)

The information for PERS was abstracted from State of New Jersey Public Employees' Retirement System Schedules of Employer Allocations and Schedules of Pension Amounts by Employer as of June 30, 2019 and June 30, 2018 Independent Auditor's Reports dated June 5, 2020 and May 15, 2019, respectively.

The District reported a liability of \$1,107,240 and \$1,178,191 for its proportionate share of the net pension liability as of June 30, 2020 and June 30, 2019, respectively. The net pension liability was measured as of June 30, 2019 and June 30, 2018 (the *Measurement Date*), and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined.

| | June 30, [<i>Measurement Date</i>] | |
|------------------------------|--------------------------------------|----------------|
| | 2019 | 2018 |
| District Proportionate Share | 0.0061450258 % | 0.0059838500 % |
| Difference - Decrease | 0.0001611758 | |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

For the year ended June 30, 2020, the District recognized pension benefit of \$153,332. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Change of Assumptions | \$ 110,562.00 | \$ 384,320.00 |
| Differences between expected and actual experience | 19,874.00 | 4,891.00 |
| Changes in proportion | 50,186.00 | 381,313.00 |
| Net difference between projected and actual earnings on pension plan investments | - | 17,478.00 |
| Changes in proportion and differences between District contributions and proportionate share of contributions District contributions subsequent to the measurement date | <u>67,097.00</u> | <u> </u> |
| Total | <u>\$ 247,719.00</u> | <u>\$ 788,002.00</u> |

The \$67,097 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2020, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ended June 30</u> | | <u>Amount</u> |
|-------------------------------|----|---------------|
| 2021 | \$ | (31,751.00) |
| 2022 | | (103,000.00) |
| 2023 | | (91,973.00) |
| 2024 | | (43,186.00) |
| 2025 | | (4,434.00) |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Additional Information:

Collective balances are as follows:

| | <i>June 30, [Measurement Date]</i> | |
|---|------------------------------------|------------------|
| | 2019 | 2018 |
| Collective deferred outflows of resources | \$ 3,149,522,616 | \$ 4,684,852,302 |
| Collective deferred inflows of resources | 7,645,087,574 | 7,646,736,226 |
| Collective net pension liability | 18,143,832,135 | 19,689,501,539 |
| Collective total pension expense | 974,471,686 | 1,099,708,157 |

Actuarial Assumptions

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

| | |
|---------------------------|---------------------------------------|
| Inflation | 2.75% |
| Salary Increases: | |
| Through 2026 | 2.00-6.00% (based on year of service) |
| Thereafter | 3.00-7.00% (based on year of service) |
| Investment Rate of Return | 7.00% |

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2000 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for one period July 1, 2017 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 impact on future financial statements.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Mortality Rates (continued)

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

Long-Term 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 PERS's target asset allocation as of June 30, 2018 (*measurement date*) are summarized in the following table:

| <u>Asset Class</u> | <u>Allocation</u> | <u>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 |
| Real Estate | 7.50 | 8.33 |
| Real Assets | 2.50 | 9.31 |
| Private Credit | 6.00 | 10.85 |
| Private Equity | 12.00 | 9.00 |
| U.S. Equity | 28.00 | 8.26 |
| Non-U.S. Developed Markets Equity | 12.50 | 9.01 |
| Emerging Market Equities | 6.50 | 11.37 |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.28 % as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of The Collective Net Pension Liability to Changes in the Discount Rate.

The following presents the collective net pension liability of the participating employers as of June 30, 2019 respectively, 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:

| | June 30, 2019 [<i>Measurement Date</i>] | | |
|--|---|---------------|--------------|
| | 1% Decrease | At Current | 1% Increase |
| | <u>5.28%</u> | Discount Rate | <u>7.28%</u> |
| | | <u>6.28%</u> | |
| District's proportionate share of the pension liability | \$ 1,398,623 | \$ 1,107,240 | \$ 861,707 |

Pension Plan Fiduciary Net Position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS) or by visiting their website at www.state.nj.us/treasury/pensions/pers1.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF)

Data for the TPAF was abstracted from the State of New Jersey Teachers' Pension and Annuity Fund Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer as of June 30, 2019 and June 30, 2018 Independent Auditor's Reports dated June 5, 2020 and June 10, 2019, respectively.

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, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2019 (*Measurement Date*) was as follows:

Net Pension Liability:

| | |
|--|-------------------------|
| Districts proportionate share | None |
| State's proportionate share associated with the District | \$ 22,670,409.00 |
| | <u>\$ 22,670,409.00</u> |

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 June 30, 2018. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The proportion of the TPAF net pension liability associated with the District was as follows:

| | June 30, [<i>Measurement Date</i>] | |
|------------------------------|--------------------------------------|-----------------|
| | 2019 | 2018 |
| District Proportionate Share | 0.03693997160 % | 0.03562652833 % |
| Difference - Increase | 0.0013134433 | |

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue of \$1,337,161 for contributions provided by the State.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2019 *measurement date* was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

| | |
|---------------------------|--|
| Inflation Rate: | |
| Price | 2.75% |
| Wage | 3.25% |
| Salary Increases: | |
| Through 2026 | 1.55% - 4.45% (based on year of service) |
| Thereafter | 2.75% - 5.65% (based on year of service) |
| 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, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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 table as follows:

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return (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 | <u>12.00</u> | 10.85 |
| | <u>100.00 %</u> | |

Discount Rate

The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the most recent fiscal year. The state contributed 50% of the actuarially determined contribution. 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.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

8. PENSION PLANS (CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability associated with the District as of June 30, 2020 (*Measurement date* June 30, 2019) calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

| | 1% Decrease <u>4.60%</u> | At Current Discount Rate <u>5.60%</u> | At 1% Increase <u>6.60%</u> |
|---|-----------------------------|---|-----------------------------------|
| State's proportionate share of the net pension liability associated with the District | \$ 26,733,390 | \$ 22,670,409 | \$ 19,392,716 |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the Local Group are as follows:

| | June 30, | |
|--------------------------------|-------------------|-------------------|
| | <u>2019</u> | <u>2018</u> |
| Deferred outflows of resources | \$ 10,129,162,237 | \$ 12,599,296,329 |
| Deferred inflows of resources | 17,736,240,054 | 16,171,861,734 |
| Net pension liability | 61,519,112,443 | 63,617,852,031 |
| Total expenses - non-employer | 3,628,861,805 | 3,726,181,598 |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

9. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If an eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and adjusted for membership earnings or losses. It is a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employee's Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain in PERS.

Contributions Required and Made

Contributions made by employees for DCRP are currently 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution. Contributions to the plan were as follows:

| <u>Fiscal Year</u> <u>Ended June 30</u> | <u>Employee</u> | <u>Employer</u> |
|--|-----------------|-----------------|
| 2020 | \$ 6,747.00 | \$ 3,680.04 |
| 2019 | 4,808.00 | 3,264.23 |
| 2018 | 3,528.00 | 2,543.00 |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

10. POST-RETIREMENT BENEFITS

The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In fiscal year 2018 the State paid PRM benefits for 148,401 State and local retirees.

The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For fiscal year 2019 the State contributed \$1,908 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State's pay-as-you-go contributions have remained consistent with fiscal year 2018 amounts. The State has appropriated \$1.612 billion in fiscal year 2020 as the State's contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, the State is required to qualify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. The new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, effective for fiscal year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. For fiscal year 2019 the total OPEB liability for the State is \$76.0 billion, a decrease of \$14.5 billion or 16 percent from the re-measured total OPEB liability in fiscal year 2018.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. Seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Employees (statewide) covered by benefit terms. At June 30, 2019 the following employees were covered by the benefit terms:

| | |
|---|-----------------------|
| Active Plan Members | 216,892 |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 148,051 |
| Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits | <u>0</u> |
| Total Plan Members | <u><u>364,943</u></u> |

Three-Year Trend Information for TPAF Medical (Paid on-behalf of the District)

| Fiscal Year Ended | <u>Post-Retirement Medical</u> |
|-------------------|--------------------------------|
| <u>June 30,</u> | |
| 2020 | \$ 339,782 |
| 2019 | 336,447 |
| 2018 | 347,073 |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

10. POST-RETIREMENT BENEFITS (CONTINUED)

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

The District is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the board of education level. Note that actual numbers will be published in the NJ State's CAFR (<https://www.nj.gov/treasury/omb/publications/archives.shtml>). The portion of the PERS and TPAF OPEB Liability that was associated with the District recognized at June 30, 2019 was as follows:

The portion of the TPAF OPEB Liability that was associated with the District recognized at June 30, 20 (Measurement Date June 30, 2019) was as follows:

Net OPEB Liability:

| | |
|--|----------------------|
| Districts proportionate share | None |
| State's proportionate share associated with the District | \$ 13,196,986 |
| | <u>\$ 13,196,986</u> |

The proportion of the PERS and TPAF OPEB collective liability that was associated with the District is as follows:

| June 30, [Measurement Date] | |
|-----------------------------|---------------|
| 2019 | 2018 |
| 0.0003162539 % | .0003194379 % |

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 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% | |
| | TPAF/ABP | PERS |
| | <i>(based on service years)</i> | <i>(based on service years)</i> |
| Salary increases: | | |
| through 2026 | 1.55-3.05% | 2:00-6.00% |
| Thereafter | 1.55-3.05% | 3.00-7.00% |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

10. POST-RETIREMENT BENEFITS (CONTINUED)

Total Nonemployer OPEB Liability (Continued)

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 Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using 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, for TPAF and PERS, respectively.

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage, 100% of active members are considered to participate in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate 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% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The discount rate utilized was 3.87% for June 30, 2018 and 3.5% for June 30, 2019.

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 the Discount Rate

The following represents the total nonemployer OPEB liability as of June 30, 2018 (*Measurement Date*), 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 [<i>Measurement Date</i>] | | |
|---|-----------------------------|---------------------------|
| At 1% Decrease (2.87%) | At Discount Rate (3.87%) | At 1% Increase (4.87%) |
| \$ 15,590,858 | \$ 13,196,986 | \$ 11,295,427 |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

10. POST-RETIREMENT BENEFITS (CONTINUED)

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Healthcare Trend Rate

The following represents 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 healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

| June 30, 2019 [<i>Measurement Date</i>] | | |
|---|-------------------------------|---------------|
| 1% Decrease | Healthcare Cost Trend Rate | 1% Increase |
| \$ 10,873,728 | \$ 13,196,986 | \$ 16,272,502 |

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2016.

Shown below are details regarding the Total OPEB Liability associated with the District for the measurement period from June 30, 2018 to June 30, 2019:

| | <u>Total OPEB Liability</u> |
|---|-----------------------------|
| <i>Balance as of June 30, 2018 Measurement Date</i> | \$ 14,729,549 |
| Changes Recognized for the Fiscal Year: | |
| Service Cost | \$ 568,934 |
| Interest on the Total OPEB Liability | 584,517 |
| Changes of Assumptions | 196,768 |
| Difference between Expected and Actual Experience | (2,489,683) |
| Gross Benefit Payments | (405,108) |
| Contributions from the Members | 12,009 |
| Net Changes | \$ (1,532,563) |
| Balance as of June 30, 2019 <i>Measurement Date</i> | \$ 13,196,986 |

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

10. POST-RETIREMENT BENEFITS (CONTINUED)

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Healthcare Trend Rate (Continued)

The components of the Net OPEB Liability as of June 30, 2019 are as follows:

| | <u>Measurement Date</u> <u>June 30, 2019</u> |
|--|---|
| Total OPEB Liability | \$ 13,196,986 |
| Plan Fiduciary Net Position | None |
| Net OPEB Liability | \$ 13,196,986 |
| Net Position as a Percentage of OPEB Liability | 0.0% |
| OPEB Expense | \$ 342,258 |

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

For the year ended June 30, 2020, the board of education recognized OPEB expense of \$342,258 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the District proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

The following table illustrates the Deferred Inflows and Outflows as of June 30, 2019 under GASB 75 prior to any reduction due to the Fiscal Year 2020 amortization.

| | <u>Deferred Outflows</u> | <u>Deferred Inflows</u> |
|--|--------------------------|-------------------------|
| Changes of Assumptions | | \$ 2,682,317 |
| Differences between Actual and Expected Experience | | 3,315,912 |
| Changes in Proportion | \$ 161,056 | 173,098 |
| Contributions made in Fiscal Year Ending 2020 | | |
| After June 30, 2019 <i>Measurement Date</i> | <u>None</u> | <u>None</u> |
| Total | <u>\$ 161,056</u> | <u>\$ 6,171,327</u> |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

10. POST-RETIREMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amount recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense (revenues) as follows:

| Measurement Period Ending June 30, | |
|------------------------------------|--------------|
| 2020 | \$ (805,349) |
| 2021 | (805,349) |
| 2022 | (805,349) |
| 2023 | (805,349) |
| 2024 | (805,349) |
| Total Thereafter | (1,971,483) |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the Local Education Group are as follows:

| | June 30, | |
|--------------------------------|------------------|------------------|
| | 2019 | 2018 |
| Deferred outflows of resources | \$ 1,921,145,183 | \$ 1,377,313,892 |
| Deferred inflows of resources | 20,887,639,826 | 16,189,378,926 |
| Net OPEB liability | 41,729,081,045 | 46,110,832,982 |
| Total expenses - non-employer | 1,015,664,874 | 2,129,660,368 |

Other

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.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

11. DEFERRED COMPENSATION

The District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(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:

| | |
|-------------------------------------|------------------|
| Metropolitan Life Equitable life | Variable Annuity |
|-------------------------------------|------------------|

12. 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. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Property and Liability Insurance: The District maintains commercial insurance coverage for property, liability 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 District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and prior two years:

| <u>Fiscal Year</u> <u>Ended June 30</u> | <u>District</u> <u>Contributions</u> | <u>Employee</u> <u>Contributions</u> | <u>Amount</u> <u>Reimbursed</u> | <u>Ending</u> <u>Balance</u> |
|--|---|---|------------------------------------|---------------------------------|
| 2020 | \$ None | \$ 10,989.11 | \$ 2,637.06 | \$ 123,206.48 |
| 2019 | None | 10,511.00 | 30,063.91 | 114,854.43 |
| 2018 | None | 4,098.86 | None | 134,407.34 |

Health Benefits: The Board of Education for the fiscal year ended June 30, 2020 procured medical insurance coverage for its employees under an agreement with State of New Jersey Division of Pensions and Benefits Health Benefit Program under various plans basis.

Other Coverage: The Board has contracted with a commercial insurance company to provide Disability Insurance. The coverage is subject to deductibles and coverage limits based on the type of policy coverage included; which are detailed in the statistical section.

The Board also maintains surety bond coverage on key financial employees.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

13. INTERFUND BALANCES AND TRANSFERS

The interfund receivable/payable as of June 30, 2020 will be liquidated in the normal course of business in the succeeding year or when funds become available and are as follows:

| | <u>Receivable</u> | <u>Payable</u> |
|---------------------|---------------------|---------------------|
| Governmental Funds: | | |
| General | | \$ 54,535.39 |
| Trust & Agency: | | |
| Payroll Agency | \$ <u>54,535.39</u> | |
| | <u>\$ 54,535.39</u> | <u>\$ 54,535.39</u> |

14. RESERVE ACCOUNTS

A. Capital Reserve

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 district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a 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. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-5.1(d) 7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Capital Reserve Account was established by the Board. An analysis of the Capital Reserve account history is as follows:

| | | |
|---|-------------------|----------------------|
| Capital Reserve Account established on July 1, 2015 | | \$ 550,857.60 |
| Interest Earnings: | | |
| Prior to June 30, 2019 | \$ 589.07 | |
| For the year ended June 30, 2020 | <u>0.00</u> | 589.07 |
| Capital Reserve Account Supplemental Appropriation: | | |
| Prior to June 30, 2019 | \$ 1,630,009.76 | |
| For the year ended June 30, 2020 | <u>0.00</u> | <u>1,630,009.76</u> |
| | | 2,181,456.43 |
| Less - Authorized Withdrawals: | | |
| Prior to June 30, 2019 | \$ 745,666.00 | |
| For the year ended June 30, 2020 | <u>629,974.00</u> | <u>1,375,640.00</u> |
| Balance as of June 30, 2020 | | <u>\$ 805,816.43</u> |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

14. RESERVE ACCOUNTS (CONTINUED)

B. Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at yearend of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four (4) percent of the replacement cost of the school district's school facilities for the current year.

| | |
|---------------------------------|-----------------------------|
| Balance, June 30, 2019 | \$ 205,815.00 |
| Contributions from Board | |
| During year ended June 30, 2020 | None |
| Less Withdrawals - | |
| During year ended June 30, 2020 | <u>None</u> |
| Balance June 30, 2020 | <u><u>\$ 205,815.00</u></u> |

C. Tuition Reserve

The School District established a Tuition Reserve Account in accordance with NJAC 6A:23-3.1(j) for tuition between two boards of education that are in a formal sending/receiving relationship. The maximum amount that may be restricted at yearend 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 activity of the tuition reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

| | |
|----------------------------|--------------------|
| Balance, June 30, 2019 | \$ 100,000.00 |
| Increased by: | |
| Deposits Approved by Board | None |
| Less Withdrawals - | |
| June 30, 2020 | <u>100,000.00</u> |
| Balance June 30, 2020 | <u><u>None</u></u> |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

15. FUND BALANCE APPROPRIATED

General Fund - Of the \$2,378,282.48 General Fund fund balance at June 30, 2020, \$805,816.43 is restricted for the Capital Reserve Account; \$205,815.00 is restricted for the Maintenance Reserve Account; \$434,441.10 is assigned for other purposes (encumbrances) \$316,819.86 is restricted reserved excess surplus – designated for subsequent year expenditures and \$615,390.09 is restricted reserved for excess surplus .

Special Revenue Fund – Of the Special Revenue Fund fund balance at June 30, 2020, reflected a deficit of \$85,063.32 which was caused by the deferral by the state of the final state aid payment for the pre-school education grant for the special revenue of the 10% of the Preschool Education Grant from the State of New Jersey.

Debt Service Fund – Of the Debt Service Fund fund balance at June 30, 2020, \$0.53 is restricted for debt service.

16. CONTINGENT LIABILITIES AND COMMITMENTS

- A. **Grant Programs** – The school district participates in federally and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.
- B. **Pending Litigation** – There are matters pending which should not, in the event of an adverse ruling, result in a material significant impact on the district's financial condition.
- C. **Contractual Commitments** -_The District has contractual commitments at June 30, 2020 to various vendors, which are recorded in the general fund as fund balance assigned for other purposes in the amount of \$434,441.10.

17. CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). 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. There was excess fund balance as a result of the 2018-2019 school year of \$316,819.86 and for 2019-2020 \$746,426.26.

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

18. RECONCILIATION OF FUND BALANCE – GENERAL FUND

The Surpluses balances are presented on a GAAP basis and reconciliation to the budget basis is follows:

| | Unassigned | Unreserved Undesignated | Excess Surplus |
|---|--------------|----------------------------|-------------------|
| Balance on a Budget Basis on the General Fund Budgetary Basic Comparison | \$ 50,331.14 | \$ 462,317.04 | \$ 746,426.26 |
| Less: State Aid Payment not Recognized on a GAAP Basis \$643,684.35 | 50,331.14 | 462,317.04 | 131,036.17 |
| | \$ None | \$ None | \$ 615,390.09 |

19. 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.

20. NET POSITION – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets, Governmental Activities, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. The net investment in capital assets of \$5,976,027.84 indicated as part of the Governmental Activities net position is calculated as follows:

| | Amount |
|---|-----------------|
| Capital assets, net of depreciation | \$ 6,423,030.36 |
| Bonds payable (used to build or acquire capital assets) | (435,000.00) |
| Deferred loss on defeasance of debt | 4,999.00 |
| Unamortized deferred premium | (17,001.52) |
| | \$ 5,976,027.84 |

JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

21. TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provision at N.J.S.A.18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The PUBLIC of Jamesburg has no long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated.

22. SUBSEQUENT EVENT: COVID-19 CORONAVIRUS PANDEMIC

The COVID-19 Coronavirus outbreak in the United States has caused the Governor of the State of New Jersey to mandate closures and a curfew for all nonessential citizens and businesses. The management of the District (which is essential) has evaluated the impact of the situation and has determined that overall there is no adverse impact on its June 30, 2020 financial statements (*audited*). Financial impact for the year ending June 30, 2021 is uncertain at this time. A significant portion of the revenue to support the District operations is state aid and taxation; however, the outcome is uncertain at this time.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|-------------------------|---------------------|-------------------------|-------------------------|-----------------------------|
| REVENUES: | | | | | |
| Local sources: | | | | | |
| Local tax levy | \$ 8,203,375.00 | | \$ 8,203,375.00 | \$ 8,203,375.00 | |
| Interest earned on various reserve funds | 30,000.00 | | 30,000.00 | 36,452.61 | \$ 6,452.61 |
| Miscellaneous | 20,000.00 | | 20,000.00 | 71,404.81 | 51,404.81 |
| Total - local sources | 8,253,375.00 | | 8,253,375.00 | 8,311,232.42 | 57,857.42 |
| State sources: | | | | | |
| Categorical transportation aid | 78,155.00 | | 78,155.00 | 78,155.00 | |
| Categorical special education aid | 778,217.00 | | 778,217.00 | 778,217.00 | |
| Equalization aid | 5,314,510.00 | | 5,314,510.00 | 5,314,510.00 | |
| Extraordinary aid | 100,000.00 | | 100,000.00 | 260,905.00 | 160,905.00 |
| Categorical security aid | 286,636.00 | | 286,636.00 | 286,636.00 | |
| On behalf - TPAF - Pension Contribution (Nonbudgeted) | | | | 915,900.00 | 915,900.00 |
| On behalf - TPAF - Post Retirement Medical (Nonbudgeted) | | | | 339,782.00 | 339,782.00 |
| On behalf - TPAF - Long-term Disability (Nonbudgeted) | | | | 1,367.00 | 1,367.00 |
| Reimbursed TPAF social security contributions (Nonbudgeted) | | | | 361,432.82 | 361,432.82 |
| Total - state sources | 6,557,518.00 | | 6,557,518.00 | 8,336,904.82 | 1,779,386.82 |
| Federal sources: | | | | | |
| Medical Assistance Program | 28,583.00 | | 28,583.00 | 24,465.00 | (4,118.00) |
| Total - federal sources | 28,583.00 | | 28,583.00 | 24,465.00 | (4,118.00) |
| TOTAL REVENUES | \$ 14,839,476.00 | | \$ 14,839,476.00 | \$ 16,672,602.24 | \$ 1,833,126.24 |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---------------------|---------------------|---------------------|---------------------|-----------------------------|
| EXPENDITURES: | | | | | |
| CURRENT EXPENSE: | | | | | |
| Regular programs - instruction: | | | | | |
| Salaries of teachers: | | | | | |
| Kindergarten | \$ 205,261.00 | \$ 5,393.00 | \$ 210,654.00 | \$ 203,300.38 | \$ 7,353.62 |
| Grades 1 - 5 | 1,198,258.00 | (37,562.99) | 1,160,695.01 | 1,153,804.16 | 6,890.85 |
| Grades 6 - 8 | 727,940.24 | 8,831.76 | 736,772.00 | 727,619.92 | 9,152.08 |
| Total regular programs - instruction | 2,131,459.24 | (23,338.23) | 2,108,121.01 | 2,084,724.46 | 23,396.55 |
| Regular programs - home instruction: | | | | | |
| Salaries of teachers | 10,000.00 | | 10,000.00 | 4,995.00 | 5,005.00 |
| Purchased professional - education services | 5,000.00 | | 5,000.00 | 405.00 | 4,595.00 |
| Total regular programs - home instruction | 15,000.00 | | 15,000.00 | 5,400.00 | 9,600.00 |
| Regular programs - undistributed instruction: | | | | | |
| Other salaries for instruction | 185,000.00 | (48,019.81) | 136,980.19 | 110,830.27 | 26,149.92 |
| Purchased professional and technical services | 71,690.00 | | 71,690.00 | 56,081.90 | 15,608.10 |
| Other purchased services (400-500 Series) | 12,500.00 | 9,100.00 | 21,600.00 | 19,002.69 | 2,597.31 |
| General supplies | 89,750.00 | 84,762.62 | 174,512.62 | 102,255.97 | 72,256.65 |
| Textbooks | 78,642.00 | (197.68) | 78,444.32 | 78,444.26 | 0.06 |
| Other objects | 440.00 | 330.00 | 770.00 | 770.00 | |
| Total regular programs - undistributed instruction | 438,022.00 | 45,975.13 | 483,997.13 | 367,385.09 | 116,612.04 |
| Total regular programs - instructions | 2,584,481.24 | 22,636.90 | 2,607,118.14 | 2,457,509.55 | 149,608.59 |
| Special education instruction: | | | | | |
| Learning and/or language disabilities: | | | | | |
| Salaries of teachers | 128,200.00 | | 128,200.00 | 128,200.00 | |
| Purchased professional - educational services | 322,000.00 | (169,568.10) | 152,431.90 | 141,250.75 | 11,181.15 |
| Purchased professional and technical services | 700.00 | | 700.00 | 360.00 | 340.00 |
| General supplies | 2,000.00 | | 2,000.00 | 591.55 | 1,408.45 |
| Total learning and/or language disabilities | 452,900.00 | (169,568.10) | 283,331.90 | 270,402.30 | 12,929.60 |
| Behavioral Disabilities: | | | | | |
| General supplies | | 278.36 | 278.36 | 278.26 | 0.10 |
| | | 278.36 | 278.36 | 278.26 | 0.10 |
| Special Education - Multiple disabilities | | | | | |
| Salaries of teachers | 58,000.00 | | 58,000.00 | 58,000.00 | |
| Other salaries for instruction | | 22,500.00 | 22,500.00 | 9,424.80 | 13,075.20 |
| Total special education - multiple disabilities | 58,000.00 | 22,500.00 | 80,500.00 | 67,424.80 | 13,075.20 |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|-----------------|---------------|-----------------------------|
| Resource room/resource center: | | | | | |
| Salaries of teachers | \$ 422,392.00 | \$ (47,728.50) | \$ 374,663.50 | \$ 366,951.30 | \$ 7,712.20 |
| Purchased professional services | | 172,668.90 | 172,668.90 | 163,613.35 | 9,055.55 |
| Purchased technical services | 1,300.00 | | 1,300.00 | 799.80 | 500.20 |
| General supplies | 1,000.00 | 500.00 | 1,500.00 | 1,233.41 | 266.59 |
| Textbooks | 4,400.00 | (500.00) | 3,900.00 | | 3,900.00 |
| Total resource room/resource center | 429,092.00 | 124,940.40 | 554,032.40 | 532,597.86 | 21,434.54 |
| Autism: | | | | | |
| Salaries of teachers | | 54,000.00 | 54,000.00 | 54,000.00 | |
| Purchased Professional Educational Services | | 21,942.55 | 21,942.55 | 21,145.10 | 797.45 |
| General supplies | | 4,000.00 | 4,000.00 | 2,402.96 | 1,597.04 |
| Textbooks | | 1,000.00 | 1,000.00 | | 1,000.00 |
| Total autism | | 80,942.55 | 80,942.55 | 77,548.06 | 3,394.49 |
| Preschool disabilities - full-time: | | | | | |
| Salaries of teachers | 54,825.00 | (25,517.00) | 29,308.00 | 29,307.60 | 0.40 |
| Purchased Professional Educational Services | 23,000.00 | 77,371.45 | 100,371.45 | 92,578.04 | 7,793.41 |
| General supplies | 4,000.00 | (3,000.00) | 1,000.00 | | 1,000.00 |
| Total preschool disabilities - full-time | 81,825.00 | 48,854.45 | 130,679.45 | 121,885.64 | 8,793.81 |
| Total special education - instruction | 1,021,817.00 | 107,947.66 | 1,129,764.66 | 1,070,136.92 | 59,627.74 |
| Basic skills/remedial - Instruction: | | | | | |
| Salaries of Teachers | 173,269.00 | 93,618.00 | 266,887.00 | 255,988.22 | 10,898.78 |
| General supplies | 1,000.00 | | 1,000.00 | 421.20 | 578.80 |
| Total basic skills/remedial - Instruction | 174,269.00 | 93,618.00 | 267,887.00 | 256,409.42 | 11,477.58 |
| Bilingual education - Instruction: | | | | | |
| Salaries of teachers | 265,963.00 | (47,773.00) | 218,190.00 | 194,792.44 | 23,397.56 |
| Technical Services | 300.00 | (300.00) | | | |
| General supplies | 1,000.00 | 407.09 | 1,407.09 | 1,376.84 | 30.25 |
| Textbooks | 300.00 | 300.00 | 600.00 | | 600.00 |
| Total bilingual education - Instruction | 267,563.00 | (47,365.91) | 220,197.09 | 196,169.28 | 24,027.81 |
| School sponsored co/extra - curricular activities - Instructions: | | | | | |
| Salaries | 9,782.00 | | 9,782.00 | 4,211.00 | 5,571.00 |
| Supplies | 1,000.00 | | 1,000.00 | | 1,000.00 |
| Total school sponsored co/extra - curricular activities - Instruction | 10,782.00 | | 10,782.00 | 4,211.00 | 6,571.00 |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---------------------|---------------------|---------------------|---------------------|-----------------------------|
| School sponsored athletics - Instruction: | | | | | |
| Salaries | \$ 20,725.00 | \$ 1,000.00 | \$ 21,725.00 | \$ 21,127.00 | \$ 598.00 |
| Purchased services (300-500 Series) | 6,200.00 | (1,300.00) | 4,900.00 | 3,203.00 | 1,697.00 |
| Supplies and materials | 2,900.00 | 3,400.00 | 6,300.00 | 6,227.25 | 72.75 |
| Total school sponsored athletic activities - instruction | 29,825.00 | 3,100.00 | 32,925.00 | 30,557.25 | 2,367.75 |
| Other instructional programs: | | | | | |
| Salaries of teachers | 1,000.00 | (1,000.00) | | | |
| Other purchased services | 3,000.00 | (2,100.00) | 900.00 | 900.00 | |
| Subtotal other instructional programs | 4,000.00 | (3,100.00) | 900.00 | 900.00 | |
| Total other programs | 486,439.00 | 46,252.09 | 532,691.09 | 488,246.95 | 44,444.14 |
| Total instructional programs | 4,092,737.24 | 176,836.65 | 4,269,573.89 | 4,015,893.42 | 253,680.47 |
| Undistributed expenditures: | | | | | |
| Instruction: | | | | | |
| Tuition to other LEAs within the state - regular | 4,127,500.00 | (14,016.10) | 4,113,483.90 | 4,097,500.00 | 15,983.90 |
| Tuition to other LEAs within the state - special | 701,961.00 | (221,866.08) | 480,094.92 | 409,288.05 | 70,806.87 |
| Tuition to CSSD and regular day schools | | 1,495.00 | 1,495.00 | 1,495.00 | |
| Tuition to private schools-disabled within the state | 496,868.00 | (11,171.52) | 485,696.48 | 448,040.53 | 37,655.95 |
| Tuition - state facilities | 4,500.00 | | 4,500.00 | 4,500.00 | |
| Total undistributed expenditures - instruction | 5,330,829.00 | (245,558.70) | 5,085,270.30 | 4,960,823.58 | 124,446.72 |
| Attendance and social work: | | | | | |
| Salaries | 3,000.00 | | 3,000.00 | 2,425.00 | 575.00 |
| Total attendance and Social Work | 3,000.00 | | 3,000.00 | 2,425.00 | 575.00 |
| Health services: | | | | | |
| Salaries | 128,375.00 | 436.00 | 128,811.00 | 128,758.14 | 52.86 |
| Purchased professional and technical services | 11,200.00 | 2,000.00 | 13,200.00 | 13,030.98 | 169.02 |
| Other purchased services (400-500 Series) | 5,170.00 | (2,833.00) | 2,337.00 | 470.00 | 1,867.00 |
| Supplies and materials | 4,000.00 | 1,195.75 | 5,195.75 | 5,129.16 | 66.59 |
| Other objects | 1,500.00 | | 1,500.00 | 1,416.88 | 83.12 |
| Total health services | 150,245.00 | 798.75 | 151,043.75 | 148,805.16 | 2,238.59 |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|--------------------|---------------------|-------------------|-------------------|-----------------------------|
| Other support services - student-related services: | | | | | |
| Salaries | \$ 176,525.00 | \$ 11,439.00 | \$ 187,964.00 | \$ 187,963.75 | \$ 0.25 |
| Purchased professional - educational services | 26,700.00 | 88,258.50 | 114,958.50 | 104,120.72 | 10,837.78 |
| Supplies and materials | 2,500.00 | (1,500.00) | 1,000.00 | 239.95 | 760.05 |
| Travel | 1,000.00 | (500.00) | 500.00 | | 500.00 |
| Total other support services - student-related services | 206,725.00 | 97,697.50 | 304,422.50 | 292,324.42 | 12,098.08 |
| Other support services - students - extra service: | | | | | |
| Purchased professional - educational services | 136,000.00 | (56,342.12) | 79,657.88 | 70,434.90 | 9,222.98 |
| Total other support services - students - extra service | 136,000.00 | (56,342.12) | 79,657.88 | 70,434.90 | 9,222.98 |
| Guidance: | | | | | |
| Salaries of other professional staff | 118,400.00 | 2,077.00 | 120,477.00 | 120,477.00 | |
| Purchased professional - technical services | 10,500.00 | (2,474.00) | 8,026.00 | | \$ 8,026.00 |
| Other purchased services (400-500 Series) | 6,350.00 | (6,000.00) | 350.00 | | 350.00 |
| Supplies and materials | 1,000.00 | | 1,000.00 | 543.95 | 456.05 |
| Other objects | 200.00 | | 200.00 | | 200.00 |
| Total guidance | 136,450.00 | (6,397.00) | 130,053.00 | 121,020.95 | 9,032.05 |
| Child study team: | | | | | |
| Salaries of other professional staff | 221,201.00 | (11,546.00) | 209,655.00 | 209,654.39 | 0.61 |
| Salaries of secretarial & clerical assistants | 47,551.00 | | 47,551.00 | 47,550.48 | 0.52 |
| Other salaries | 23,805.76 | | 23,805.76 | 23,805.76 | |
| Purchased professional - education services | 6,500.00 | (2,758.00) | 3,742.00 | 129.00 | 3,613.00 |
| Purchased professional - technical services | 8,100.00 | | 8,100.00 | 7,913.05 | 186.95 |
| Other purchased services (400-500 Series) | 6,250.00 | (2,000.00) | 4,250.00 | 3,480.03 | 769.97 |
| Supplies and materials | 2,400.00 | 2,375.75 | 4,775.75 | 4,178.07 | 597.68 |
| Other objects | 350.00 | | 350.00 | | 350.00 |
| Total child study team | 316,157.76 | (13,928.25) | 302,229.51 | 296,710.78 | 5,518.73 |
| Improvement of instructional services: | | | | | |
| Salaries of supervisor of instruction | | 78,241.00 | 78,241.00 | 78,240.45 | 0.55 |
| Salaries of secretarial & clerical assistants | 63,366.39 | (39,934.58) | 23,431.81 | 21,474.14 | 1,957.67 |
| Supplies and materials | 250.00 | | 250.00 | | 250.00 |
| Total improvement of instructional services | 63,616.39 | 38,306.42 | 101,922.81 | 99,714.59 | 2,208.22 |
| Instructional staff training services: | | | | | |
| Purchased professional - educational services | 20,500.00 | (16,500.00) | 4,000.00 | 2,970.75 | 1,029.25 |
| Other purchased services (400-500 Series) | 13,272.61 | 53.00 | 13,325.61 | 11,200.33 | 2,125.28 |
| Total instructional staff training services | 33,772.61 | (16,447.00) | 17,325.61 | 14,171.08 | 3,154.53 |

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

| | <u>Original Budget</u> | <u>Budget Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|-----------------------------|-------------------------|-------------------|-------------------------------------|
| Support services - general administration: | | | | | |
| Salaries | \$ 198,542.00 | \$ 10,537.00 | \$ 209,079.00 | \$ 205,883.03 | \$ 3,195.97 |
| Legal services | 38,600.00 | 5,293.03 | 43,893.03 | 29,667.04 | 14,225.99 |
| Audit Fee | 21,000.00 | (2,000.00) | 19,000.00 | 18,200.00 | 800.00 |
| Purchased technical services | 5,850.00 | (2,020.00) | 3,830.00 | 3,830.00 | |
| Communications/telephone | 47,250.00 | 5,000.00 | 52,250.00 | 31,491.64 | 20,758.36 |
| BOE other purchased services | 4,600.00 | | 4,600.00 | 3,008.00 | 1,592.00 |
| Other purchased services (400-500) | 36,100.00 | 7,750.00 | 43,850.00 | 31,027.41 | 12,822.59 |
| General supplies | 2,500.00 | 1,093.00 | 3,593.00 | 1,869.67 | 1,723.33 |
| Judge Against Dist Super | 15,000.00 | (10,610.00) | 4,390.00 | | 4,390.00 |
| Miscellaneous expenditures | 2,300.00 | 250.00 | 2,550.00 | 2,550.00 | |
| BOE membership dues and fees | 6,500.00 | | 6,500.00 | 6,119.90 | 380.10 |
| Total support services - general administration | 378,242.00 | 15,293.03 | 393,535.03 | 333,646.69 | 59,888.34 |
| Support services - school administration: | | | | | |
| Salaries of principals/assistant principals | 230,038.00 | (11,018.24) | 219,019.76 | 199,348.96 | 19,670.80 |
| Salaries of other professional staff | 27,317.00 | 5,000.00 | 32,317.00 | 27,316.80 | 5,000.20 |
| Salaries of secretarial and clerical assistants | 95,066.00 | 29,900.00 | 124,966.00 | 83,943.03 | 41,022.97 |
| Other purchased services (400-500 Series) | 11,100.00 | (250.00) | 10,850.00 | 7,627.79 | 3,222.21 |
| Supplies and materials | 10,000.00 | (500.00) | 9,500.00 | 5,737.40 | 3,762.60 |
| Other objects | 5,300.00 | 1,950.00 | 7,250.00 | 5,586.19 | 1,663.81 |
| Total support services - school administration | 378,821.00 | 25,081.76 | 403,902.76 | 329,560.17 | 74,342.59 |
| Central services: | | | | | |
| Salaries | 206,899.00 | 1,685.00 | 208,584.00 | 207,524.71 | 1,059.29 |
| Purchased professional services | 29,500.00 | 9,540.00 | 39,040.00 | 32,241.68 | 6,798.32 |
| Miscellaneous purchased services (400-500 Series) | 9,550.00 | 2,980.00 | 12,530.00 | 8,690.04 | 3,839.96 |
| Supplies and materials | 5,000.00 | (220.00) | 4,780.00 | 2,069.73 | 2,710.27 |
| Other objects | 1,650.00 | | 1,650.00 | 1,250.00 | 400.00 |
| Total central services | 252,599.00 | 13,985.00 | 266,584.00 | 251,776.16 | 14,807.84 |
| Admin. Info. technology: | | | | | |
| Salaries | 4,000.00 | 4,062.00 | 8,062.00 | 7,685.21 | 376.79 |
| Purchased technical services | 85,000.00 | 7,000.00 | 92,000.00 | 84,804.40 | 7,195.60 |
| Other purchased services (400-500 Series) | 850.00 | (850.00) | | | |
| Supplies and materials | 3,500.00 | (1,212.00) | 2,288.00 | 179.43 | 2,108.57 |
| Total admin. Info. technology | 93,350.00 | 9,000.00 | 102,350.00 | 92,669.04 | 9,680.96 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|--------------------|---------------------|-------------------|-------------------|-----------------------------|
| Required maintenance for school facilities: | | | | | |
| Salaries | \$ 68,624.00 | | \$ 68,624.00 | \$ 68,623.92 | \$ 0.08 |
| Cleaning, repair and maintenance services | 101,990.00 | \$ 3,439.00 | 105,429.00 | 89,371.94 | 16,057.06 |
| General supplies | 19,400.00 | | 19,400.00 | 10,626.24 | 8,773.80 |
| Other Objects | 2,500.00 | | 2,500.00 | 1,781.47 | 718.50 |
| Total required maintenance for school facilities | 192,514.00 | 3,439.00 | 195,953.00 | 170,403.57 | 25,549.44 |
| Custodial Services: | | | | | |
| Salaries | 223,823.00 | (6,406.00) | 217,417.00 | 206,551.25 | 10,865.75 |
| Salaries of Noninstructional Aides | 12,127.00 | 6,406.00 | 18,533.00 | 18,367.91 | 165.09 |
| Cleaning, repair and maintenance services | 34,650.00 | 2,441.54 | 37,091.54 | 27,690.28 | 9,401.26 |
| Other purchased property services | 21,000.00 | | 21,000.00 | 18,370.84 | 2,629.16 |
| Insurance | 45,000.00 | | 45,000.00 | 44,073.01 | 926.99 |
| Miscellaneous purchased services | 6,210.00 | 2,205.00 | 8,415.00 | 2,638.00 | 5,777.00 |
| General supplies | 28,650.00 | 4,506.68 | 33,156.68 | 21,156.67 | 12,000.01 |
| Energy (gasoline) | 34,000.00 | | 34,000.00 | 28,387.36 | 5,612.64 |
| Energy (electricity) | 100,000.00 | (12,106.00) | 87,894.00 | 67,110.55 | 20,783.45 |
| Energy (natural gas) | 1,000.00 | | 1,000.00 | 284.57 | 715.43 |
| Other objects facilities | 150.00 | | 150.00 | | 150.00 |
| Total custodial services: | 506,610.00 | (2,952.78) | 503,657.22 | 434,630.44 | 69,026.78 |
| Care and Upkeep of Grounds: | | | | | |
| Repair and maintenance services | 18,200.00 | 2,559.00 | 20,759.00 | 20,758.75 | 0.25 |
| General supplies | 3,800.00 | | 3,800.00 | 2,647.18 | 1,152.82 |
| Total care and upkeep of grounds: | 22,000.00 | 2,559.00 | 24,559.00 | 23,405.93 | 1,153.07 |
| Security: | | | | | |
| Salaries | 7,000.00 | (1,145.00) | 5,855.00 | 4,534.25 | 1,320.80 |
| Repair and maintenance | 6,000.00 | (2,982.80) | 3,017.20 | 939.60 | 2,077.60 |
| Supplies | 1,900.00 | 7,192.00 | 9,092.00 | 3,797.44 | 5,294.56 |
| Equipment | 500.00 | 2,482.80 | 2,982.80 | 2,982.80 | |
| Other Objects | 100.00 | | 100.00 | | 100.00 |
| Total security: | 15,500.00 | 5,547.00 | 21,047.00 | 12,254.09 | 8,792.91 |
| Total operation and maintenance of plant services | 736,624.00 | 8,592.22 | 745,216.22 | 640,694.03 | 104,522.20 |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|----------------------|---------------------|----------------------|----------------------|-----------------------------|
| Student transportation services: | | | | | |
| Management fee - ESC and CTSA transp. program | \$ 18,000.00 | (3,949.20) | \$ 14,050.80 | \$ 14,050.80 | |
| Contracted services - aid in lieu of payments - nonpublic schools | 75,000.00 | (13,800.00) | 61,200.00 | 44,518.76 | \$ 16,681.24 |
| Contracted services - aid in lieu of payments - charter schools | | 10,000.00 | 10,000.00 | 5,377.60 | 4,622.40 |
| Contracted services - aid in lieu of payments - choice schools | | 1,000.00 | 1,000.00 | 705.56 | 294.44 |
| Contracted services - (between home and school) - vendors | 23,500.00 | | 23,500.00 | 18,550.95 | 4,949.05 |
| Contracted services (between home and school) - joint agreements | 220,000.00 | (28,187.80) | 191,812.20 | 176,641.51 | 15,170.69 |
| Contracted services (regular) - ESC's and CTSA's | 101,000.00 | 12,323.48 | 113,323.48 | 110,578.55 | 2,744.93 |
| Contracted services (special education) - ESC's and CTSA's | 342,000.00 | 31,406.82 | 373,406.82 | 337,154.49 | 36,252.33 |
| Total student transportation services | 779,500.00 | 8,793.30 | 788,293.30 | 707,578.22 | 80,715.08 |
| Unallocated benefits - Employee benefits: | | | | | |
| Group insurance | 1,200.00 | | 1,200.00 | 1,090.08 | 109.92 |
| Social security contribution | 80,000.00 | 7,405.91 | 87,405.91 | 74,096.19 | 13,309.72 |
| Other retirement contributions - PERS | 75,000.00 | (15,148.94) | 59,851.06 | 59,851.06 | |
| Other retirement contributions - regular | 5,000.00 | | 5,000.00 | 3,680.04 | 1,319.96 |
| Unemployment compensation | 10,000.00 | (9,000.13) | 999.87 | 112.00 | 887.87 |
| Workmen's compensation | 75,000.00 | (2,566.93) | 72,433.07 | 72,433.07 | |
| Health benefits | 1,265,271.00 | (11,314.59) | 1,253,956.41 | 1,235,687.23 | 18,269.18 |
| Tuition reimbursement | 15,000.00 | | 15,000.00 | 12,000.00 | 3,000.00 |
| Unused sick payment to terminated/retired staff | 66,000.00 | 50,609.48 | 116,609.48 | 114,689.57 | 1,919.91 |
| Total unallocated benefits - employee benefits | 1,592,471.00 | 19,984.80 | 1,612,455.80 | 1,573,639.24 | 38,816.56 |
| On behalf - TPAF - Pension Contribution (Nonbudgeted) | | | | 915,900.00 | (915,900.00) |
| On behalf - TPAF - Post Retirement Medical (Nonbudgeted) | | | | 339,782.00 | (339,782.00) |
| On behalf - TPAF - Long-term Disability (Nonbudgeted) | | | | 1,367.00 | (1,367.00) |
| Reimbursed TPAF social security contributions (Nonbudgeted) | | | | 361,432.82 | (361,432.82) |
| Total on behalf - Contributions | | | | 1,618,481.82 | (1,618,481.82) |
| Total personal services - employee benefits | 1,592,471.00 | 19,984.80 | 1,612,455.80 | 3,192,121.06 | (1,579,665.26) |
| Total undistributed expenditures | 10,588,402.76 | (101,140.29) | 10,487,262.47 | 11,554,475.83 | (1,067,213.35) |
| TOTAL EXPENDITURES - CURRENT EXPENSE | 14,681,140.00 | 75,696.36 | 14,756,836.36 | 15,570,369.25 | (813,532.88) |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|-------------------------|------------------------|-------------------------|-------------------------|-----------------------------|
| CAPITAL OUTLAY: | | | | | |
| Equipment: | | | | | |
| Instruction-Grades 1-5 | | 11,634.00 | \$ 11,634.00 | 11,634.00 | |
| Instruction-Grades 6-8 | | 3,878.00 | 3,878.00 | 3,878.00 | |
| Capital Equipment Instruction | | 11,634.00 | 11,634.00 | 11,634.00 | |
| General Administration | | 32,847.00 | 32,847.00 | | \$ 32,847.00 |
| School Administration | | 20,442.16 | 20,442.16 | 20,442.16 | |
| Information Technology | | 63,184.04 | 63,184.04 | 63,184.04 | |
| Grounds | | 36,930.00 | 36,930.00 | 36,870.00 | 60.00 |
| Security | | 10,532.96 | 10,532.96 | 10,532.96 | |
| Total equipment - regular programs - instruction | | 191,082.16 | 191,082.16 | 158,175.16 | 32,907.00 |
| Facilities Acquisition & Construction Service: | | | | | |
| Architecture Services | | 16,590.00 | 16,590.00 | 8,591.67 | 7,998.33 |
| Construction Services District | 868,814.00 | 202,834.12 | 1,071,648.12 | 826,723.59 | 244,924.53 |
| Debt service assessment SDA funding | 3,804.00 | | 3,804.00 | 3,804.00 | |
| Total Facilities Acquisition and Construction Service | 872,618.00 | 219,424.12 | 1,092,042.12 | 839,119.26 | 252,922.86 |
| TOTAL EXPENDITURES - CAPITAL OUTLAY | 872,618.00 | 410,506.28 | 1,283,124.28 | 997,294.42 | 285,829.86 |
| Transfer of Funds to Charter Schools | 139,028.00 | | 139,028.00 | 121,420.00 | 17,608.00 |
| TOTAL OF FUNDS TO CHARTER SCHOOLS | 139,028.00 | | 139,028.00 | 121,420.00 | 17,608.00 |
| TOTAL GENERAL FUND EXPENDITURES | \$ 15,692,786.00 | \$ 486,202.64 | \$ 16,178,988.64 | \$ 16,689,083.67 | \$ (510,095.02) |
| Excess/(deficiency) of revenues over/(under) expenditures | \$ (853,310.00) | \$ (486,202.64) | \$ (1,339,512.64) | \$ (16,481.43) | \$ (1,323,031.21) |
| Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing sources/(uses) | \$ (853,310.00) | \$ (486,202.64) | \$ (1,339,512.64) | \$ (16,481.43) | \$ 1,323,031.21 |
| Fund balance, July 1 | 3,038,448.26 | | 3,038,448.26 | 3,038,448.26 | |
| Fund balance, June 30 | <u>\$ 2,185,138.26</u> | <u>\$ (486,202.64)</u> | <u>\$ 1,698,935.62</u> | <u>\$ 3,021,966.83</u> | <u>\$ 1,323,031.21</u> |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | <u>Original</u> | <u>Budget</u> | <u>Final</u> | <u>Actual</u> | <u>Variance</u> |
|---|----------------------|----------------------|---------------|------------------------|------------------------|
| | <u>Budget</u> | <u>Transfers</u> | <u>Budget</u> | | <u>Final to Actual</u> |
| Fund balance appropriated per budget | \$ 123,336.00 | | | | |
| Budgeted withdrawal from capital reserve | 629,974.00 | | | | |
| Budgeted Withdrawal for Tuition Reserve | <u>100,000.00</u> | | | | |
| | <u>\$ 853,310.00</u> | | | | |
| Detail of budget transfers: | | | | | |
| Prior Year Reserve for Encumbrances | | \$ <u>485,902.64</u> | | | |
| Recapitulation of Fund Balance: | | | | | |
| Committed for yearend encumbrances | | | | \$ 434,441.10 | |
| Restricted Fund Balance: | | | | | |
| Capital reserve: | | | | | |
| Unassigned | | \$ | | 805,816.43 | |
| Maintenance reserve: | | | | | |
| Unassigned | | | | 205,815.00 | |
| Excess surplus (from 19-20) | | | | 746,426.26 | |
| Excess surplus - designated for subsequent year expenditures (from 18-19) | | \$ 316,819.86 | | | |
| Assigned/Designated for subsequent year expenditures | | <u>50,331.14</u> | | 367,151.00 | |
| Unassigned - Fund Balance (2%) | | | | <u>462,317.04</u> | |
| Fund balance per governmental funds (GAAP) | | | | \$ 3,021,966.83 | |
| | | | | <u>643,684.35</u> | |
| | | | | <u>\$ 2,378,282.48</u> | |

JAMESBURG PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|-------------------------|------------------------|-------------------------------------|
| REVENUES: | | | |
| Federal Sources | \$ 527,101.00 | \$ 506,352.18 | \$ 20,748.82 |
| State Sources | 1,353,540.00 | 1,353,540.00 | |
| Local Sources | <u>34,004.51</u> | <u>33,995.47</u> | <u>9.04</u> |
| Total Revenues | <u>\$ 1,914,645.51</u> | <u>\$ 1,893,887.65</u> | <u>\$ 20,757.86</u> |
| EXPENDITURES: | | | |
| Instruction: | | | |
| Salaries | \$ 601,550.40 | \$ 595,582.90 | \$ 5,967.50 |
| Purchased Professional and Technical Services | 214,617.53 | 211,681.37 | 2,936.16 |
| Tuition | 199,455.00 | 199,455.00 | |
| General Supplies | <u>138,129.56</u> | <u>137,599.04</u> | <u>530.52</u> |
| Total Instruction | <u>\$ 1,153,752.49</u> | <u>\$ 1,144,318.31</u> | <u>\$ 9,434.18</u> |
| Support Services: | | | |
| Salaries of Program Directors | \$ 25,881.55 | \$ 22,448.55 | \$ 3,433.00 |
| Salaries of Supervisors of Instructors | 28,415.64 | 28,415.64 | |
| Other Salaries | 37,486.45 | 37,486.45 | |
| Salaries of Coach | 76,691.99 | 76,691.99 | |
| Personal services - Employee Benefits | 212,891.56 | 212,891.26 | 0.30 |
| Purchased Professional Technical Services | 67,795.51 | 62,688.95 | 5,106.56 |
| Other Purchased Professional Services | 14,552.00 | 12,040.00 | 2,512.00 |
| Maintenance Services | 6,262.50 | 6,262.50 | |
| Miscellaneous Purchased Services | 500.00 | 500.00 | |
| Supplies and Materials | <u>25,035.16</u> | <u>24,764.16</u> | <u>271.00</u> |
| Total Support Services | <u>\$ 495,512.36</u> | <u>\$ 484,189.50</u> | <u>\$ 11,322.86</u> |
| Equipment: | | | |
| Instructional Equipment | \$ 21,525.67 | \$ 21,525.67 | |
| Noninstructional Equipment | <u>243,854.99</u> | <u>243,854.17</u> | <u>\$ 0.82</u> |
| Total Equipment | <u>\$ 265,380.66</u> | <u>\$ 265,379.84</u> | <u>\$ 0.82</u> |
| Total Expenditures | <u>\$ 1,914,645.51</u> | <u>\$ 1,893,887.65</u> | <u>\$ 20,757.86</u> |

**JAMESBURG PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| <u>Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures</u> | <u>General Fund</u> | <u>Special Revenue Fund</u> |
|--|------------------------------------|-----------------------------------|
| Sources/Inflows of Resources: | | |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule | C-1 \$ 16,672,602.24 | C-2 \$ 1,893,887.65 |
| Difference - Budget to GAAP: | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | None | (57,716.77) |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes. | 583,899.00 | 129,096.00 |
| State aid payments recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year. | <u>(643,684.35)</u> | <u>(134,920.85)</u> |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. | B-2 \$ <u>16,612,816.89</u> | B-2 \$ <u>1,830,346.03</u> |
| Uses/Outflows of Resources: | | |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule. | C-1 \$ 16,689,083.67 | C-2 \$ 1,893,887.65 |
| Difference - Budget to GAAP: | | |
| Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes. | | |
| June 30, 2020 | None | (107,574.30) |
| June 30, 2019 | <u>None</u> | <u>None</u> |
| Total expenditures as reported on the statement of revenues, expenditures and change in fund balance - governmental funds. | B-2 \$ <u>16,689,083.67</u> | B-2 \$ <u>1,786,313.35</u> |

REQUIRED SUPPLEMENTARY INFORMATION – PART III

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR PENSION (GASB 68)**

**JAMESBURG PUBLIC SCHOOL DISTRICT
 COUNTY OF MIDDLESEX
 SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)
 LAST SEVEN (7) FISCAL YEARS***

| Year | District's proportion of the net pension liability (asset) | District's proportionate share of the net pension liability (asset) | District's covered- employee payroll | District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | Plan fiduciary net position as a percentage of the total pension liability |
|------|--|---|--|--|---|
| 2020 | 0.000061450258 % | \$ 1,107,240 | \$ 462,807 | 239.24% | 56.27% |
| 2019 | 0.000059838500 | 1,178,191 | 437,497 | 269.30% | 46.40% |
| 2018 | 0.000060263827 | 1,402,846 | 426,360 | 329.00% | 48.10% |
| 2017 | 0.000097104218 | 2,875,948 | 424,621 | 677.30% | 40.14% |
| 2016 | 0.000093409363 | 2,096,853 | 403,132 | 520.14% | 47.93% |
| 2015 | 0.000097916560 | 1,833,266 | 651,199 | 281.52% | 52.08% |
| 2014 | 0.000098467168 | 1,881,903 | 638,175 | 294.89% | 48.72% |

Note: Only the last seven (7) years of information are presented as GASB 68 was implemented during fiscal year ended June 30, 2015. Eventually a full ten (10) years schedule will be compiled.

Notes to Required Supplementary Information:

Benefit Changes - There were none.

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

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)
LAST SEVEN (7) FISCAL YEARS*

| <u>Year</u> | <u>Contractually required contribution</u> | <u>Contributions in relation to the contractually required contribution</u> | <u>Contribution deficiency (excess)</u> | <u>District's covered- employee payroll</u> | <u>Contributions as a percentage of covered-employee payroll</u> |
|-------------|--|---|---|---|--|
| 2020 | \$ 59,733 | \$ 59,733 | None | \$ 462,807 | 12.91% |
| 2019 | 59,520 | 59,520 | None | 437,497 | 13.60% |
| 2018 | 55,828 | 55,828 | None | 426,360 | 13.09% |
| 2017 | 86,266 | 86,266 | None | 424,621 | 20.32% |
| 2016 | 80,307 | 80,307 | None | 403,132 | 19.92% |
| 2015 | 80,721 | 80,721 | None | 641,703 | 12.58% |
| 2014 | 74,193 | 74,193 | None | 651,199 | 11.39% |

Note: Only the last seven (7) years of information are presented as GASB 68 was implemented during fiscal year ended June 30, 2015. Eventually a full ten (10) years schedule will be compiled.

**JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHERS PENSION AND ANNUITY FUND (TPAF)
LAST SEVEN (7) FISCAL YEARS***

| Year | District's Proportion of Net Pension Liability | Proportionate Share of Net Pension Liability (Asset) | | | District's Covered-Employee Payroll | District's Proportionate Share of Net Pension Liability (asset) as Percentage of Covered-Employee Payroll | Plan Fiduciary Net Position as Percentage of Total Pension Liability |
|------|--|---|---------------|---------------|---|---|---|
| | | District | State | Total | | | |
| 2020 | 0.0369399716 % | \$ None | \$ 22,670,409 | \$ 22,670,409 | \$ 4,986,377 | None | 26.95% |
| 2019 | 0.0356252833 | None | 22,664,040 | 22,664,040 | 4,595,612 | None | 26.98% |
| 2018 | 0.0350717413 | None | 23,646,633 | 23,646,633 | 4,121,308 | None | 25.41% |
| 2017 | 0.0351852782 | None | 27,678,980 | 27,678,980 | 3,777,221 | None | 22.33% |
| 2016 | 0.0349561979 | None | 22,093,810 | 22,093,810 | 3,601,005 | None | 28.71% |
| 2015 | 0.0388108290 | None | 20,743,125 | 20,743,125 | 3,456,399 | None | 33.64% |
| 2014 | 0.0369729966 | None | 18,685,862 | 18,685,862 | 3,387,271 | None | 33.76% |

Note: Only the last seven (7) years of information are presented as GASB 68

Notes to Required Supplementary Information:

Benefit Changes - There were none.

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

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY FOR PERS AND TPAF AND RELATED RATIOS

LAST THREE (3) FISCAL YEARS *

| <u>Total OPEB Liability</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|----------------------|----------------------|----------------------|
| Service cost | \$ 568,934 | \$ 606,890 | \$ 732,268 |
| Interest | 584,517 | 621,998 | 536,374 |
| Changes of assumptions | 196,768 | (1,690,289) | (2,210,223) |
| Differences between expected and actual experience | (2,489,683) | (1,384,613) | - |
| Benefit payments | (405,108) | (383,863) | (392,733) |
| Contributions from members | 12,009 | 13,613 | 14,461 |
| Net changes in total OPEB liability | (1,532,563) | (2,216,264) | (1,319,853) |
| Total OPEB liability - beginning | 14,739,549 | 16,955,813 | 18,275,666 |
| Total OPEB liability - ending | <u>\$ 13,206,986</u> | <u>\$ 14,739,549</u> | <u>\$ 16,955,813</u> |
| | | | |
| Covered-employee payroll (PERS and TPAF) | <u>\$ 5,449,184</u> | <u>\$ 5,033,109</u> | <u>\$ 4,547,668</u> |
| | | | |
| Total OPEB liability as a percentage of covered-employee payroll | <u>None</u> | <u>None</u> | <u>None</u> |

Note: Only last three (3) years of information is presented as GASB 75 was implemented during fiscal year ended June 30, 2018. Eventually a full ten (10) years schedule will be compiled.

Notes to Required Supplementary Information:

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate 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% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The discount rate utilized was 3.87% for June 30, 2018 and 3.5% for June 30, 2019.

Changes of Assumptions - The discount rate utilized was 3.50% as of June 30, 2019 and 3.87% as of June 30, 2018, respectively.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**BOARD OF EDUCATION
 JAMESBURG PUBLIC SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
 SPECIAL REVENUE FUND - BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit E-1

| | Total Brought Forward (Exh. E-1a) | Title I 2019-2020 | Title II 2019-2020 | Title III 2019-2020 | Title IV 2019-2020 | CARES ACT | I.D.E.A. Part B | | Totals 2020 |
|---|--|----------------------|-----------------------|------------------------|-----------------------|---------------------|---------------------------------|------------------------|------------------------|
| | | | | | | | 2019-2020 Regular Program | 2019-2020 Preschool | |
| REVENUES: | | | | | | | | | |
| Federal sources | | \$ 182,898.54 | \$ 34,676.00 | \$ 15,194.46 | \$ 11,677.00 | \$ 62,451.18 | \$ 193,223.00 | \$ 6,232.00 | \$ 506,352.18 |
| State sources | \$ 1,353,540.00 | | | | | | | | 1,353,540.00 |
| Local sources | 33,995.47 | | | | | | | | 33,995.47 |
| Total revenues | \$ 1,387,535.47 | \$ 182,898.54 | \$ 34,676.00 | \$ 15,194.46 | \$ 11,677.00 | \$ 62,451.18 | \$ 193,223.00 | \$ 6,232.00 | \$ 1,893,887.65 |
| EXPENDITURES: | | | | | | | | | |
| Instruction: | | | | | | | | | |
| Salaries of teachers | \$ 494,251.40 | \$ 99,891.00 | | \$ 1,440.50 | | | | | \$ 595,582.90 |
| Purchased professional and technical services | 199,655.53 | 12,025.84 | | | | | | | 211,681.37 |
| Tuition | | | | | | | \$ 193,223.00 | \$ 6,232.00 | 199,455.00 |
| General supplies | 63,223.52 | | | 8,678.52 | \$ 11,677.00 | \$ 54,020.00 | | | 137,599.04 |
| Total instruction | 757,130.45 | 111,916.84 | | 10,119.02 | 11,677.00 | 54,020.00 | 193,223.00 | 6,232.00 | 1,144,318.31 |
| Support services: | | | | | | | | | |
| Salaries of teachers | | | | | | | | | |
| Salaries of program directors | 22,381.55 | | | 67.00 | | | | | 22,448.55 |
| Salaries of supervisors of instructors | 28,415.64 | | | | | | | | 28,415.64 |
| Other Salaries | 37,486.45 | | | | | | | | 37,486.45 |
| Salaries of Coach | 76,691.99 | | | | | | | | 76,691.99 |
| Personal services-employee benefits | 141,909.56 | 70,981.70 | | | | | | | 212,891.26 |
| Purchased Professional Technical Services | 23,004.51 | | \$ 34,676.00 | 5,008.44 | | | | | 62,688.95 |
| Other Purchased Professional Services | 12,040.00 | | | | | | | | 12,040.00 |
| Maintenance Services | 6,262.50 | | | | | | | | 6,262.50 |
| Miscellaneous Purchased Services | 500.00 | | | | | | | | 500.00 |
| Supplies and materials | 24,764.16 | | | | | \$ 3,900.00 | | | 28,664.16 |
| Other Objects | | | | | | 4,531.18 | | | 4,531.18 |
| Total support services | 373,456.36 | 70,981.70 | 34,676.00 | 5,075.44 | | 8,431.18 | | | 492,620.68 |
| Facilities acquisition and construction services: | | | | | | | | | |
| Instructional equipment | 17,625.67 | | | | | | | | 17,625.67 |
| Noninstructional equipment | 239,322.99 | | | | | | | | 239,322.99 |
| Total facilities acquisition and construction services | 256,948.66 | | | | | | | | 256,948.66 |
| Total expenditures | \$ 1,387,535.47 | \$ 182,898.54 | \$ 34,676.00 | \$ 15,194.46 | \$ 11,677.00 | \$ 62,451.18 | \$ 193,223.00 | \$ 6,232.00 | \$ 1,893,887.65 |

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit E-1a

| | <u>Preschool Education Aid</u> | <u>United Way</u> | <u>NSLP Grant</u> | <u>NJPSA</u> | <u>NJSIG Buildings Grant</u> | <u>Totals Carried Forward 2020</u> |
|--|--|-----------------------|-----------------------|--------------|--------------------------------------|--|
| REVENUES: | | | | | | |
| Federal sources | | | | | | |
| State sources | \$ 1,353,540.00 | | | | | \$ 1,353,540.00 |
| Local sources | | \$ 3,990.96 | \$ 18,104.85 | \$ 7,000.00 | \$ 4,899.66 | 33,995.47 |
| | | | | | | |
| Total revenues | \$ 1,353,540.00 | \$ 3,990.96 | \$ 18,104.85 | \$ 7,000.00 | \$ 4,899.66 | 1,387,535.47 |
| EXPENDITURES: | | | | | | |
| Instruction: | | | | | | |
| Salaries of teachers | \$ 490,733.90 | \$ 3,517.50 | | | | \$ 494,251.40 |
| Purchased professional and technical services | 199,655.53 | | | | | 199,655.53 |
| Tuition | | | | | | |
| General supplies | 55,750.06 | 473.46 | | \$ 7,000.00 | | 63,223.52 |
| | | | | | | |
| Total instruction | 746,139.49 | 3,990.96 | | 7,000.00 | | 757,130.45 |
| Support services: | | | | | | |
| Salaries of teachers | | | | | | |
| Salaries of program directors | 22,381.55 | | | | | 22,381.55 |
| Salaries of supervisors of instructors | 28,415.64 | | | | | 28,415.64 |
| Other Salaries | 37,486.45 | | | | | 37,486.45 |
| Salaries of Coach | 76,691.99 | | | | | 76,691.99 |
| Personal services-employee benefits | 141,909.56 | | | | | 141,909.56 |
| Purchased Professional Technical Services | | | \$ 18,104.85 | | \$ 4,899.66 | 23,004.51 |
| Other Purchased Professional Services | 12,040.00 | | | | | 12,040.00 |
| Maintenance Services | 6,262.50 | | | | | 6,262.50 |
| Miscellaneous Purchased Services | 500.00 | | | | | 500.00 |
| Supplies and materials | 24,764.16 | | | | | 24,764.16 |
| Other Objects | | | | | | |
| | | | | | | |
| Total support services | 350,451.85 | | 18,104.85 | | 4,899.66 | 373,456.36 |
| Facilities acquisition and construction services: | | | | | | |
| Instructional equipment | 17,625.67 | | | | | 17,625.67 |
| Noninstructional equipment | 239,322.99 | | | | | 239,322.99 |
| | | | | | | |
| Total facilities acquisition and construction services | 256,948.66 | | | | | 256,948.66 |
| | | | | | | |
| Total expenditures | \$ 1,353,540.00 | \$ 3,990.96 | \$ 18,104.85 | \$ 7,000.00 | \$ 4,899.66 | \$ 1,387,535.47 |

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | <u>Budgeted</u> | <u>Actual</u> | <u>Variance</u> |
|--|------------------------|------------------------|-----------------|
| REVENUES: | | | |
| State Sources: | \$ 1,353,540.00 | \$ 1,353,540.00 | _____ |
| Total revenues | <u>1,353,540.00</u> | <u>1,353,540.00</u> | _____ |
| EXPENDITURES: | | | |
| Instruction: | | | |
| Salaries of Teachers | \$ 490,733.90 | \$ 490,733.90 | |
| Purchased Professional & Technical Services | 199,655.53 | 199,655.53 | |
| General Supplies | <u>55,750.06</u> | <u>55,750.06</u> | _____ |
| Total instruction | <u>746,139.49</u> | <u>746,139.49</u> | _____ |
| Support Services: | | | |
| Salary Program Director | 22,381.55 | 22,381.55 | |
| Salaries of Teachers | 28,415.64 | 28,415.64 | |
| Other Salaries Other Prof. Staff | 37,486.45 | 37,486.45 | |
| Salaries of Coach | 76,691.99 | 76,691.99 | |
| Personal Services - Employee Benefits | 141,909.56 | 141,909.56 | |
| Other Purchased Professional Services | 12,040.00 | 12,040.00 | |
| Miscellaneous | 500.00 | 500.00 | |
| Supplies | <u>24,764.16</u> | <u>24,764.16</u> | _____ |
| Total support services | <u>350,451.85</u> | <u>350,451.85</u> | _____ |
| Facilities acquisition and construction services: | | | |
| Instructional Equipment | 17,625.67 | 17,625.67 | |
| Non-Instructional Equipment | <u>239,322.99</u> | <u>239,322.99</u> | _____ |
| Total facilities acquisition and construction services | <u>256,948.66</u> | <u>256,948.66</u> | _____ |
| Total expenditures | <u>\$ 1,353,540.00</u> | <u>\$ 1,353,540.00</u> | ===== |

FIDUCIARY FUNDS

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

| | Balance July 1, 2019 | Additions | Deletions | Balance June 30, 2020 |
|-------------------------------------|----------------------------|------------------------|------------------------|-----------------------------|
| <u>ASSETS</u> | | | | |
| Cash and Cash Equivalents | \$ 71,731.05 | \$ 2,836,391.97 | \$ 2,856,008.41 | \$ 52,114.61 |
| Interfund Receivable - General Fund | | <u>54,535.39</u> | | <u>54,535.39</u> |
| Total Assets | <u>\$ 71,731.05</u> | <u>\$ 2,890,927.36</u> | <u>\$ 2,856,008.41</u> | <u>\$ 106,650.00</u> |
| <u>LIABILITIES</u> | | | | |
| Payroll Deductions and Withholdings | | \$ 2,791,258.41 | \$ 2,791,258.41 | \$ - |
| Summer Pay | \$ 64,750.00 | 106,650 | 64,750.00 | 106,650.00 |
| Interfund Payable - General Fund | <u>6,981.05</u> | <u>47,554.34</u> | <u>54,535.39</u> | <u>-</u> |
| Total Liabilities | <u>\$ 71,731.05</u> | <u>\$ 2,945,462.75</u> | <u>\$ 2,910,543.80</u> | <u>\$ 106,650.00</u> |

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NET PAYROLL FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

| | Balance July 1, 2019 | Additions | Deletions | Balance June 30, 2020 |
|----------------------------------|----------------------------|------------------------|------------------------|-----------------------------|
| <u>ASSETS</u> | | | | |
| Cash and Cash Equivalents | \$ 48,876.76 | \$ 7,512,614.97 | \$ 7,561,491.73 | - |
| Total Assets | <u>48,876.76</u> | <u>\$ 7,512,614.97</u> | <u>\$ 7,561,491.73</u> | <u>-</u> |
| <u>LIABILITIES</u> | | | | |
| Net Pay | - | \$ 7,561,491.73 | \$ 7,561,491.73 | - |
| Interfund Payable - General Fund | \$ 48,876.76 | | 48,876.76 | - |
| Total Liabilities | <u>\$ 48,876.76</u> | <u>\$ 7,561,491.73</u> | <u>\$ 7,610,368.49</u> | <u>-</u> |

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Balance July 1, <u>2019</u> | Cash <u>Receipts</u> | Cash <u>Disbursements</u> | Balance June 30, <u>2020</u> |
|-----------------------------------|-----------------------------------|-------------------------|------------------------------|------------------------------------|
| Elementary Schools: | | | | |
| John F. Kennedy Elementary | \$ 2,224.20 | \$ 140.00 | \$ 190.00 | \$ 2,174.20 |
| Grace M. Breckwedel Middle School | <u>4,372.61</u> | <u>6,594.50</u> | <u>6,480.89</u> | <u>4,486.22</u> |
| Total All Schools | <u>\$ 6,596.81</u> | <u>\$ 6,734.50</u> | <u>\$ 6,670.89</u> | <u>\$ 6,660.42</u> |

NONCURRENT DEBT

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NONCURRENT DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2020

| <u>Issue</u> | <u>Original</u> | | <u>Annual Maturities</u> | | <u>Interest Rate</u> | <u>Balance July 1, 2019</u> | <u>Retired</u> | <u>Balance June 30, 2020</u> |
|-----------------|-------------------------------|------------------------|--------------------------|---------------|----------------------|-----------------------------|----------------------|------------------------------|
| | <u>Date of Original Issue</u> | <u>Amount of Issue</u> | <u>Date</u> | <u>Amount</u> | | | | |
| Refunding Bonds | 7/1/2014 | \$ 2,760,000.00 | 1/1/2021 | \$ 435,000.00 | 4.00% | \$ <u>855,000.00</u> | \$ <u>420,000.00</u> | \$ <u>435,000.00</u> |
| Total | | | | | | \$ <u>855,000.00</u> | \$ <u>420,000.00</u> | \$ <u>435,000.00</u> |

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| | <u>Original Budget</u> | <u>Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|----------------------------|----------------------------|------------------|-------------------------|----------------------|-------------------------------------|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 327,991.00 | _____ | \$ 327,991.00 | \$ 327,991.00 | _____ |
| Total - Local Sources | <u>327,991.00</u> | _____ | <u>327,991.00</u> | <u>327,991.00</u> | _____ |
| State Sources: | | | | | |
| Debt Service Aid Type II | \$ 126,209.00 | _____ | \$ 126,209.00 | \$ 126,209.00 | _____ |
| Total - State Sources | <u>126,209.00</u> | _____ | <u>126,209.00</u> | <u>126,209.00</u> | _____ |
| Total Revenues | <u>\$ 454,200.00</u> | _____ | <u>\$ 454,200.00</u> | <u>\$ 454,200.00</u> | _____ |
| EXPENDITURES: | | | | | |
| Regular Debt Service: | | | | | |
| Interest on Bonds | \$ 34,200.00 | _____ | \$ 34,200.00 | \$ 34,200.00 | _____ |
| Redemption of Principal | 420,000.00 | _____ | 420,000.00 | 420,000.00 | _____ |
| Total Regular Debt Service | <u>454,200.00</u> | _____ | <u>454,200.00</u> | <u>454,200.00</u> | _____ |
| Total Expenditures | <u>\$ 454,200.00</u> | _____ | <u>\$ 454,200.00</u> | <u>\$ 454,200.00</u> | _____ |
| Fund Balance, July 1 | \$ 0.53 | _____ | \$ 0.53 | \$ 0.53 | _____ |
| Fund Balance, June 30 | <u>\$ 0.53</u> | <u>_____</u> | <u>\$ 0.53</u> | <u>\$ 0.53</u> | <u>_____</u> |

STATISTICAL TABLES (SECTION)
(UNAUDITED)

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
INTRODUCTION TO STATISTICAL TABLES (SECTION)
(UNAUDITED)

| <u>Contents</u> | <u>Exhibit</u> |
|--|------------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time. | J-1 to J-5 |
| Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax. | J-6 to J-9 |
| Debt Capacity These schedules contain information to help the reader assess the district's outstanding debt. | J-10 to J-13 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place. | J-14 & J-15 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs. | J-16 to J-20 |

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year.*

FINANCIAL TRENDS

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NET POSITION BY COMPONENT
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|-----------------------------|---------------------|---------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Governmental activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ 1,190,717 | \$ 1,310,444 | \$ 1,728,745 | \$ 2,073,745 | \$ 2,008,258 | \$ 2,754,943 | \$ 3,095,085 | \$ 3,661,498 | \$ 4,725,269 | \$ 5,976,029 |
| Restricted | 293,662 | 464,379 | 537,072 | 815,128 | 833,062 | 1,316,214 | 944,457 | 1,022,133 | 1,928,291 | 1,240,258 |
| Unrestricted | <u>(184,151)</u> | <u>(321,535)</u> | <u>(493,290)</u> | <u>(2,786,091)</u> | <u>(2,543,895)</u> | <u>(4,622,629)</u> | <u>(3,354,994)</u> | <u>(3,095,674)</u> | <u>(3,241,075)</u> | <u>(2,275,140)</u> |
| Total governmental activities net position | <u>\$ 1,300,228</u> | <u>\$ 1,453,288</u> | <u>\$ 1,772,527</u> | <u>\$ 100,782</u> | <u>\$ 297,425</u> | <u>\$ (551,472)</u> | <u>\$ 684,548</u> | <u>\$ 1,587,957</u> | <u>\$ 3,412,485</u> | <u>\$ 4,941,146</u> |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | | | \$ 25,354 | \$ 19,537 | \$ 14,391 | \$ 9,245 | \$ 22,992 | \$ 40,836 | \$ 176,612 | \$ 149,921 |
| Unrestricted | <u>314,650</u> | <u>309,317</u> | <u>342,945</u> | <u>315,771</u> | <u>369,343</u> | <u>416,269</u> | <u>404,924</u> | <u>367,356</u> | <u>154,168</u> | <u>108,231</u> |
| Total business-type activities net position | <u>\$ 314,650</u> | <u>\$ 309,317</u> | <u>\$ 368,299</u> | <u>\$ 335,308</u> | <u>\$ 383,734</u> | <u>\$ 425,514</u> | <u>\$ 427,916</u> | <u>\$ 408,192</u> | <u>\$ 330,779</u> | <u>\$ 258,151</u> |
| District-wide | | | | | | | | | | |
| Invested in capital assets | \$ 1,190,717 | \$ 1,310,444 | \$ 1,754,099 | \$ 2,093,282 | \$ 2,022,649 | \$ 2,764,188 | \$ 3,118,077 | \$ 3,702,334 | \$ 4,901,880 | \$ 6,125,950 |
| Restricted | 293,662 | 464,379 | 537,072 | 815,128 | 833,062 | 1,316,214 | 944,457 | 1,022,133 | 1,928,291 | 1,240,258 |
| Unrestricted (Deficit) | <u>130,499</u> | <u>(12,218)</u> | <u>(150,345)</u> | <u>(2,472,320)</u> | <u>(2,174,552)</u> | <u>(4,206,360)</u> | <u>(2,950,070)</u> | <u>(2,728,318)</u> | <u>(3,086,907)</u> | <u>(2,166,909)</u> |
| Total district net position | <u>\$ 1,614,878</u> | <u>\$ 1,762,605</u> | <u>\$ 2,140,826</u> | <u>\$ 436,090</u> | <u>\$ 681,159</u> | <u>\$ (125,958)</u> | <u>\$ 1,112,464</u> | <u>\$ 1,996,149</u> | <u>\$ 3,743,265</u> | <u>\$ 5,199,298</u> |

Source: CAFR Exhibit A-1.

Note: In 2015 the effective date of GASB 68 an adjustment was made of the provision of the net pension liability for PERS.

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGE IN NET POSITION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular | \$ 2,577,808 | \$ 2,682,995 | \$ 2,728,794 | \$ 2,351,573 | \$ 2,305,318 | \$ 3,274,466 | \$ 4,799,797 | \$ 4,078,651 | \$ 3,731,952 | \$ 3,634,801 |
| Special education | 709,802 | 656,054 | 728,018 | 1,052,582 | 1,042,056 | 1,800,417 | 1,580,240 | 3,097,986 | 2,954,622 | 3,193,648 |
| Other special education | | | 126,954 | 117,681 | 96,921 | 208,739 | 53,551 | 1,487 | 577,996 | 669,390 |
| Other instruction | 182,999 | 308,792 | 2,441 | 1,068 | 1,260 | 28,138 | 193,061 | 253,985 | 55,663 | 52,755 |
| Adult/continuing education programs | | | | | | | | | | |
| Support Services: | | | | | | | | | | |
| Tuition | 4,241,104 | 4,366,918 | 4,607,925 | 4,846,564 | 4,735,534 | 4,881,952 | 4,498,634 | 4,502,764 | 4,647,378 | 4,668,558 |
| Student & instruction related services | 613,510 | 646,513 | 688,154 | 809,813 | 805,018 | 1,142,432 | 1,258,566 | 1,282,654 | 1,349,854 | 1,949,588 |
| School Administrative services | 321,461 | 321,679 | 233,518 | 354,760 | 318,254 | 417,216 | 604,819 | 541,939 | 1,312,937 | 894,811 |
| General administration services | 442,569 | 491,230 | 320,808 | 231,973 | 363,063 | 801,716 | 1,005,435 | 1,357,798 | 532,368 | 487,439 |
| Central Services | | | 204,521 | 239,246 | 218,001 | | | | | |
| Administrative information technology | | | 59,819 | 78,501 | 73,747 | | | | | |
| Plant operations and maintenance | 579,458 | 568,263 | 593,387 | 477,245 | 618,216 | 866,171 | 978,026 | 1,094,859 | 949,676 | 947,624 |
| Pupil transportation | 569,725 | 515,508 | 607,421 | 658,207 | 574,329 | 689,934 | 753,879 | 808,657 | 1,039,306 | 1,046,550 |
| Unallocated benefits | 1,847,270 | 2,074,585 | 2,215,322 | 2,225,155 | 2,270,983 | | | | | |
| Interest on long-term debt | 159,553 | 148,878 | 190,231 | 121,024 | 112,280 | 47,631 | 73,393 | 66,680 | 53,528 | 32,199 |
| Unallocated depreciation and amortization | 180,685 | 180,949 | 180,949 | | 64,579 | | | | | |
| Transfer to Charter Schools | | | | | | | 63,206 | 93,746 | 115,948 | 121,420 |
| Total governmental activities expenses | \$ 12,425,944 | \$ 12,962,364 | \$ 13,488,262 | \$ 13,565,392 | \$ 13,599,559 | \$ 14,158,811 | \$ 15,862,607 | \$ 17,181,207 | \$ 17,321,225 | \$ 17,698,782 |
| Business-type activities: | | | | | | | | | | |
| Food service | \$ 232,719 | \$ 239,217 | \$ 253,108 | \$ 296,546 | \$ 277,458 | \$ 308,599 | \$ 372,932 | \$ 401,370 | \$ 454,308 | \$ 382,601 |
| Child Care | 224,632 | 285,001 | 217,025 | 247,470 | 190,596 | 230,393 | 256,338 | 355,469 | 325,066 | 310,253 |
| Total business-type activities expense | \$ 457,351 | \$ 524,218 | \$ 470,133 | \$ 544,016 | \$ 468,054 | \$ 538,992 | \$ 629,270 | \$ 756,839 | \$ 779,394 | \$ 692,855 |
| Total district expenses | \$ 12,883,295 | \$ 13,486,582 | \$ 13,958,395 | \$ 14,109,408 | \$ 14,067,613 | \$ 14,697,803 | \$ 16,491,877 | \$ 17,938,046 | \$ 18,100,619 | \$ 18,391,637 |

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGE IN NET POSITION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|-----------------------------|------------------------|------------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|------------------------|------------------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Operating grants and contributions | \$ 559,408 | \$ 507,152 | \$ 580,252 | \$ 6,276,126 | \$ 6,350,229 | \$ 6,518,989 | \$ 578,734 | \$ 1,330,229 | \$ 1,377,553 | \$ 1,735,323 |
| Total governmental activities program revenues | <u>559,408</u> | <u>507,152</u> | <u>580,252</u> | <u>6,276,126</u> | <u>6,350,229</u> | <u>6,518,989</u> | <u>578,734</u> | <u>1,330,229</u> | <u>1,377,553</u> | <u>1,735,323</u> |
| Business-type activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Food service | \$ 101,962 | \$ 108,086 | \$ 106,938 | \$ 104,490 | \$ 100,582 | \$ 98,317 | \$ 103,485 | \$ 120,285 | \$ 114,476 | \$ 83,463 |
| Child care | 236,799 | 261,739 | 260,579 | 212,435 | 212,758 | 255,906 | 272,712 | 339,282 | 304,114 | 254,492 |
| Operating grants and contributions | 133,310 | 149,060 | 161,599 | 182,971 | 203,141 | 226,549 | 242,136 | 277,547 | 283,390 | |
| Total business type activities program revenues | <u>472,071</u> | <u>518,885</u> | <u>529,116</u> | <u>499,896</u> | <u>516,481</u> | <u>580,772</u> | <u>618,333</u> | <u>737,115</u> | <u>701,980</u> | <u>337,955</u> |
| Total district program revenues | <u>\$ 1,031,479</u> | <u>\$ 1,026,037</u> | <u>\$ 1,109,368</u> | <u>\$ 6,776,022</u> | <u>\$ 6,866,710</u> | <u>\$ 7,099,761</u> | <u>\$ 1,197,067</u> | <u>\$ 2,067,344</u> | <u>\$ 2,079,533</u> | <u>\$ 2,073,278</u> |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | \$ (11,866,536) | \$ (12,455,212) | \$ (12,908,010) | \$ (7,289,266) | \$ (7,249,330) | \$ (7,639,822) | \$ (15,283,873) | \$ (15,850,978) | \$ (15,943,672) | \$ (15,963,460) |
| Business-type activities | 14,720 | (5,333) | 58,983 | (44,120) | 48,427 | 41,780 | (10,937) | (19,724) | (77,413) | (354,900) |
| Total district-wide net expense | <u>\$ (11,851,816)</u> | <u>\$ (12,460,545)</u> | <u>\$ (12,849,027)</u> | <u>\$ (7,333,386)</u> | <u>\$ (7,200,903)</u> | <u>\$ (7,598,042)</u> | <u>\$ (15,294,810)</u> | <u>\$ (15,870,702)</u> | <u>\$ (16,021,085)</u> | <u>\$ (16,318,360)</u> |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for general purposes, net | \$ 6,650,854 | \$ 6,655,854 | \$ 7,122,271 | \$ 7,264,716 | \$ 7,410,010 | \$ 7,780,511 | \$ 8,052,828 | \$ 8,060,115 | \$ 8,206,263 | \$ 8,203,375 |
| Taxes levied for debt service | 336,559 | 336,889 | 334,633 | 340,215 | 338,592 | 306,396 | 319,469 | 325,392 | 325,103 | 327,991 |
| Federal and state aid not restricted | 5,195,130 | 5,595,815 | 5,748,562 | | | | 8,078,161 | 8,723,093 | 8,819,741 | 8,852,897 |
| Federal and state aid restricted | | | | 131,381 | 130,288 | 184,859 | | | | |
| Miscellaneous income | 24,988 | 19,714 | 21,782 | 20,310 | 10,613 | 13,318 | 65,104 | 64,274 | 152,020 | 107,857 |
| Special item | | | | | (436,828) | (1,494,160) | 4,331 | | | |
| Transfers to Charter School | | | | | (6,703) | | | | 285,074 | |
| Total governmental activities | <u>\$ 12,209,531</u> | <u>\$ 12,608,272</u> | <u>\$ 13,227,248</u> | <u>\$ 7,756,622</u> | <u>\$ 7,445,972</u> | <u>\$ 6,790,924</u> | <u>\$ 16,519,893</u> | <u>\$ 17,172,874</u> | <u>\$ 17,786,201</u> | <u>\$ 17,492,120</u> |
| Business-type activities: | | | | | | | | | | |
| Special and extraordinary revenue | | | | | | | \$ 13,339 | \$ (418,488) | | |
| Total business-type activities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 13,339</u> | <u>\$ (418,488)</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total district-wide | <u>\$ 12,209,531</u> | <u>\$ 12,608,272</u> | <u>\$ 13,227,248</u> | <u>\$ 7,756,622</u> | <u>\$ 7,445,972</u> | <u>\$ 6,790,924</u> | <u>\$ 16,533,232</u> | <u>\$ 16,754,386</u> | <u>\$ 17,786,201</u> | <u>\$ 17,492,120</u> |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | \$ 342,995 | \$ 153,060 | \$ 319,238 | \$ 467,356 | \$ 196,642 | \$ (848,898) | \$ 1,249,359 | \$ 903,409 | \$ 1,824,529 | \$ 1,528,661 |
| Business-type activities | 14,720 | (5,333) | 58,983 | (44,120) | 48,427 | 41,780 | 2,402 | (438,212) | (77,413) | (354,900) |
| Total district | <u>\$ 357,715</u> | <u>\$ 147,727</u> | <u>\$ 378,221</u> | <u>\$ 423,236</u> | <u>\$ 245,069</u> | <u>\$ (807,118)</u> | <u>\$ 1,251,761</u> | <u>\$ 465,196</u> | <u>\$ 1,747,116</u> | <u>\$ 1,173,761</u> |

Source: CAFR Exhibit A-2.

Note: Noncapital expenditures are total expenditures less capital outlay.

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| General Fund | | | | | | | | | | |
| Reserved | \$ 288,869 | \$ 463,086 | \$ 262,072 | | | | | | | |
| Unreserved | (184,151) | (321,535) | (238,117) | | | | | | | |
| Total general fund | \$ 104,718 | \$ 141,551 | \$ 23,955 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| All Other Governmental Funds | | | | | | | | | | |
| Unreserved, reported in: | | | | | | | | | | |
| Capital projects fund | | | | | | | | | | |
| Debt service fund | 4,793 | 1,293 | 275,000 | | | | | | | |
| | <u>\$ 4,793</u> | <u>\$ 1,293</u> | <u>\$ 275,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Governmental Funds | | | | | | | | | | |
| Restricted for: | | | | | | | | | | |
| Excess surplus - prior year - designated for subsequent year expenditures | | | 38,328 | 38,328 | | | - | 666,666 | 89,448 | 316,820 |
| Excess surplus | | | | | | | 558,146 | | 97,107 | 615,390 |
| Capital reserve account | | | 275,000 | 425,602 | 550,858 | 744,457 | 434,457 | 834,785 | 1,435,790 | 805,816 |
| Capital reserve - designated for subsequent year's expenditures | | | | | | 210,000 | 510,000 | | | |
| Maintenance reserve account | | | 125,815 | 130,815 | 180,815 | 255,815 | 255,815 | 255,815 | 205,815 | 205,815 |
| Emergency reserve account | | | 75,000 | 75,041 | 75,055 | 75,040 | 5,041 | 5,082 | | |
| Emergency reserve - designated for subsequent year's expenditures | | | | | | | | | | |
| Tuition reserve account | | | | | | 70,000 | 100,000 | 200,000 | 100,000 | |
| Committed for: | | | | | | | | | | |
| Year-end encumbrances General Fund | | | 22,929 | | 11,514 | 31,001 | 74,084 | 187,348 | 492,500 | 434,441 |
| Assigned to: | | | | | | | | | | |
| General fund - designated for subsequent year expenditures | | | | 145,342 | 130,117 | 78,720 | 26,850 | | 33,889 | - |
| Debt service fund | | | | | 3,106 | 3,107 | 1 | 1 | 1 | 1 |
| Unassigned: | | | | | | | | | | |
| General fund | | | (231,013) | (611,669) | (483,864) | (345,221) | - | - | | |
| Capital projects fund | | | | | | (275,814) | (275,814) | (208,035) | | |
| Special revenue fund | | | (7,104) | (7,552) | (6,770) | (4,948) | (4,948) | (74,636) | (129,096) | (85,063) |
| Total governmental funds | \$ - | \$ - | \$ 298,955 | \$ 195,907 | \$ 460,831 | \$ 777,105 | \$ 1,753,632 | \$ 1,867,027 | \$ 2,325,454 | \$ 2,293,220 |

Source: CAFR Exhibit B-1.

Note GASB 54 was implemented in the 2011 fiscal year, which required the presentation of fund balances to be reported in different classifications from those presented in prior years (See Notes to financial statements - Note 2G 15(a-c). Prior years have not been restated above and are not required to be.

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|-----------------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenues | | | | | | | | | | |
| Tax levy | \$ 6,989,413 | \$ 6,992,743 | \$ 7,456,904 | \$ 7,604,931 | \$ 7,748,602 | \$ 8,086,907 | \$ 8,372,297 | \$ 8,385,507 | \$ 8,531,366 | \$ 8,531,336 |
| Miscellaneous | 24,988 | 19,714 | 21,782 | 20,311 | 11,914 | 15,818 | 79,824 | 127,102 | 156,619 | 141,853 |
| State sources | 5,278,371 | 5,525,957 | 5,883,033 | 5,969,144 | 6,108,328 | 6,262,703 | 6,545,693 | 7,704,614 | 8,780,698 | 9,751,044 |
| Federal sources | 476,167 | 577,010 | 445,781 | 438,362 | 395,011 | 438,645 | 444,107 | 497,059 | 494,235 | 473,100 |
| Total revenue | 12,768,939 | 13,115,424 | 13,807,500 | 14,032,748 | 14,263,855 | 14,804,073 | 15,441,921 | 16,714,282 | 17,962,918 | 18,897,333 |
| Expenditures | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular Instruction | 2,577,808 | 2,682,995 | 2,728,794 | 2,351,574 | 2,416,989 | 2,381,257 | 2,548,688 | 2,532,561 | 2,489,825 | 2,457,510 |
| Special education instruction | 709,802 | 656,054 | 728,018 | 1,052,582 | 1,042,056 | 1,309,299 | 1,362,089 | 1,923,636 | 1,971,218 | 2,159,244 |
| Other special instruction | 182,999 | 308,792 | 126,954 | 117,680 | 96,921 | 151,800 | 32,225 | 923 | 385,618 | 452,579 |
| Other instruction | | | 2,441 | 1,068 | 1,260 | 20,462 | 116,178 | 157,707 | 37,136 | 35,668 |
| Adult/continuing education | | | | | | | | | | |
| Support Services: | | | | | | | | | | |
| Tuition | 4,241,104 | 4,366,918 | 4,607,925 | 4,846,564 | 4,735,534 | 4,543,802 | 4,498,634 | 4,595,560 | 4,810,175 | 4,960,824 |
| Student & inst. related services | 613,510 | 6,465,153 | 688,154 | 809,813 | 805,018 | 830,799 | 800,820 | 1,033,274 | 1,170,776 | 1,318,128 |
| General administration | 321,461 | 321,679 | 233,519 | 354,760 | 328,136 | 583,023 | 605,037 | 659,612 | 672,142 | 329,560 |
| School administrative services | 442,569 | 491,230 | 320,808 | 228,169 | 318,254 | 303,407 | 328,059 | 336,506 | 355,177 | 678,092 |
| Central services | | | 204,521 | 239,246 | 218,001 | | | | | |
| Admin. information technology | | | 59,819 | 78,501 | 73,748 | | | | | |
| Plant operations and maintenance | 579,458 | 568,263 | 590,919 | 477,245 | 594,784 | 629,897 | 588,543 | 679,832 | 633,590 | 640,694 |
| Pupil transportation | 569,725 | 515,508 | 607,421 | 658,207 | 574,330 | 501,734 | 453,660 | 502,121 | 693,388 | 707,578 |
| Employee benefits | 1,845,070 | 2,055,261 | 2,244,051 | 2,188,258 | 2,279,444 | 2,194,286 | 2,411,413 | 2,753,161 | 2,997,720 | 3,405,012 |
| Charter Schools | | | | | | | 63,206 | 93,746 | 115,948 | 121,420 |
| Capital outlay | 2,062 | | 40,368 | 3,804 | 62,162 | 590,534 | 210,142 | 881,646 | 1,023,202 | 1,209,089 |
| Debt service: | | | | | | | | | | |
| Principal | 305,000 | 320,000 | 330,000 | 345,000 | 390,000 | 360,000 | 370,000 | 385,000 | 400,000 | 420,000 |
| Interest and other charges | 159,553 | 148,878 | 137,678 | 126,128 | 123,272 | 87,500 | 76,700 | 65,600 | 50,200 | 34,200 |
| Total expenditures | 12,550,121 | 18,900,731 | 13,651,390 | 13,878,599 | 14,059,909 | 14,487,800 | 14,465,394 | 16,600,886 | 17,806,115 | 18,929,597 |
| Excess (Deficiency) of revenues over (under) expenditures | 218,818 | (5,785,307) | 156,110 | 154,149 | 203,946 | 316,273 | 976,527 | 113,396 | 156,803 | (32,264) |

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|-----------------------------|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Other Financing sources (uses) | | | | | | | | | | |
| Refunding bonds issued | | | | | | \$ 2,964,621 | | | | |
| Payments to escrow agent | | | | | | (2,896,940) | | | | |
| Transfers out/ in | | | | | | (6,703) | | | \$ 301,624 | |
| Total other financing sources (uses) | - | - | - | - | - | 60,978 | - | - | 301,624 | - |
| Net change in fund balances | <u>\$ 218,818</u> | <u>\$ (5,785,307)</u> | <u>\$ 156,110</u> | <u>\$ 154,149</u> | <u>\$ 203,946</u> | <u>\$ 377,251</u> | <u>\$ 976,527</u> | <u>\$ 113,396</u> | <u>\$ 458,427</u> | <u>\$ (32,264)</u> |
| Debt service as a percentage of noncapital expenditures | 3.70% | 2.48% | 3.44% | 3.40% | 3.67% | 3.22% | 3.13% | 2.87% | 2.68% | 2.56% |

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(modified accrual basis of accounting)

| <u>Fiscal Year</u> <u>Ending June 30,</u> | <u>Tuition</u> | <u>Interest</u> <u>Earned</u> | <u>Miscellaneous</u> | <u>Refund of</u> <u>Prior Year</u> <u>Expenditures</u> | <u>Annual Totals</u> |
|--|----------------|----------------------------------|----------------------|--|----------------------|
| 2011 | | | \$ 24,988 | | \$ 24,988 |
| 2012 | | | 19,714 | | 19,714 |
| 2013 | | | 21,782 | | 21,782 |
| 2014 | \$ 4,750 | | 15,561 | | 20,311 |
| 2015 | | | 10,613 | | 10,613 |
| 2016 | | | 13,318 | | 13,318 |
| 2017 | | | 65,104 | | 65,104 |
| 2018 | | | 63,904 | | 63,904 |
| 2019 | 2,037 | \$ 45,357 | 53,342 | \$ 47,394 | 148,130 |
| 2020 | | 36,453 | 42,457 | 28,947 | 107,857 |

Source: District records

REVENUE CAPACITY

**JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN (10) FISCAL YEARS
(UNAUDITED)**

| Fiscal Year Ended June 30, | Vacant Land | Residential | Commercial | Industrial | Apartment | Total Assessed Value | Tax Exempt Property | Business Personal Property | Net Valuation | Estimated Actual (County Equalized) Value | Total Direct School Tax Rate ^b |
|----------------------------|-------------|-------------|------------|------------|-----------|----------------------|---------------------|----------------------------|---------------|---|---|
| 2011 | 2,834,700 | 194,158,300 | 31,966,400 | 700,000 | 8,290,100 | 237,949,500 | 26,413,300 | 1,355,556 | 265,718,356 | 523,721,323 | 2.925 |
| 2012 | 2,786,800 | 194,102,700 | 31,589,700 | 700,000 | 8,290,100 | 237,469,300 | 26,303,300 | 1,688,303 | 265,460,903 | 521,760,481 | 3.100 |
| 2013 | 2,786,800 | 193,483,300 | 30,898,800 | 700,000 | 7,621,600 | 235,490,500 | 26,505,300 | 1,374,244 | 263,370,044 | 500,052,840 | 3.119 |
| 2014 | 2,654,900 | 193,459,300 | 30,498,200 | 700,000 | 7,621,600 | 234,934,000 | 26,860,000 | 1,414,323 | 263,208,323 | 453,969,523 | 3.212 |
| 2015 | 2,687,700 | 193,403,600 | 29,658,700 | 700,000 | 7,536,600 | 233,986,600 | 26,849,600 | 1,172,044 | 262,008,244 | 443,277,283 | 3.439 |
| 2016 | 3,023,800 | 193,514,500 | 29,560,600 | 700,000 | 7,536,600 | 234,335,500 | 26,650,000 | 1,254,520 | 262,240,020 | 435,230,039 | 3.554 |
| 2017 | 3,233,800 | 193,530,500 | 29,388,000 | 700,000 | 7,536,600 | 234,388,900 | 26,852,600 | 1,235,395 | 262,476,895 | 443,026,923 | 3.559 |
| 2018 | 2,465,400 | 196,192,100 | 30,047,500 | 700,000 | 7,436,600 | 236,841,600 | 26,852,600 | 1,267,088 | 264,961,288 | 446,595,618 | 3.583 |
| 2019 | 2,465,500 | 196,192,900 | 29,602,000 | 700,000 | 7,436,600 | 236,397,000 | 26,853,900 | 1,289,094 | 264,539,994 | 450,458,510 | 3.584 |
| 2020 | 2,447,300 | 197,168,700 | 29,601,000 | 700,000 | 7,436,600 | 237,353,600 | 26,979,300 | 1,365,004 | 265,697,904 | 440,043,409 | 3.574 |

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100 of assessed valuation

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN (10) FISCAL YEARS
(UNAUDITED)
(rate per \$100 of assessed value)

| Fiscal Year Ended June 30, | Borough of Jamesburg School District Direct Rate | | | Overlapping Rates | | | Total Direct and Overlapping Tax Rate |
|-------------------------------|--|--|--|-------------------------|---------------|------------------------|--|
| | Basic Rate ^a | General Obligation Debt Service ^b | (From J-6) Total Direct School Tax Rate | Borough of Jamesburg | Fire District | County of Middlesex | |
| 2011 | 2.925 | - | 2.925 | 1.447 | 0.166 | 0.737 | 5.275 |
| 2012 | 3.119 | - | 3.119 | 1.497 | 0.165 | 0.746 | 5.527 |
| 2013 | 3.212 | - | 3.212 | 1.539 | 0.177 | 0.730 | 5.658 |
| 2014 | 3.281 | - | 3.281 | 1.588 | 0.187 | 0.729 | 5.785 |
| 2015 | 3.439 | - | 3.439 | 1.669 | 0.097 | 0.750 | 5.955 |
| 2016 | 3.419 | \$ 0.135 | 3.554 | 1.748 | 0.197 | 0.724 | 6.223 |
| 2017 | 3.421 | 0.138 | 3.559 | 1.761 | 0.197 | 0.751 | 6.268 |
| 2018 | 3.262 | 0.137 | 3.583 | 1.729 | 0.195 | 0.689 | 6.196 |
| 2019 | 3.447 | 0.137 | 3.584 | 1.868 | 0.195 | 0.733 | 6.380 |
| 2020 | 3.437 | 0.137 | 3.574 | 1.894 | 0.195 | 0.721 | 6.384 |

Source: Municipal Tax Collector

Note:

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

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.

**JAMESBURG PUBLIC SCHOOL DISTRICT
 COUNTY OF MIDDLESEX
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE (9) YEARS AGO
 (UNAUDITED)**

| Taxpayer | 2020 | | | Taxpayer | 2011 | | |
|-----------------------------|------------------------|-----------------|--|-----------------------------|------------------------|-----------------|--|
| | Taxable Assessed Value | Rank [Optional] | % of Total District Net Assessed Value | | Taxable Assessed Value | Rank [Optional] | % of Total District Net Assessed Value |
| Brookside Holdings LLC | \$ 2,786,600 | 1 | 1.17% | Bell Atlantic | \$ 2,742,769 | 1 | 1.15% |
| Tall Tree Apartments | 1,800,000 | 2 | 0.76% | Tall Tree Apartments | 1,800,000 | 2 | 0.76% |
| Verizon | 1,632,004 | 3 | 0.69% | CVS | 1,750,000 | 3 | 0.74% |
| 7310 13th Ave, LLC | 1,494,000 | 4 | 0.63% | 333 Forsgate Associates LLC | 1,250,000 | 4 | 0.53% |
| Colletti Terrace LLC | 1,375,000 | 5 | 0.58% | Molineux | 1,200,000 | 5 | 0.50% |
| CVS | 1,250,000 | 6 | 0.53% | Jamesburg Holding | 1,100,000 | 6 | 0.46% |
| QuickChek | 1,190,000 | 7 | 0.50% | Maglies, Robert | 1,000,000 | 7 | 0.42% |
| 333 Forsgate Associates LLC | 1,100,000 | 8 | 0.46% | 24 Forge | 925,000 | 8 | 0.39% |
| Lake Street Apartments LLC | 1,000,000 | 9 | 0.42% | TD Bank | 874,000 | 9 | 0.37% |
| Lake Realty Partners LLC | 984,400 | 10 | 0.41% | Abreu | 825,000 | 10 | 0.35% |
| Total Assessed Value | \$ 237,353,600 | | | | \$ 237,949,500 | | |

Source: Municipal Tax Assessor

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

| <u>Fiscal Year Ended June 30,</u> | <u>Taxes Levied for the Fiscal Year</u> | <u>Collected within the Fiscal Year of the Levy</u> <small>a</small> | |
|---------------------------------------|---|---|-------------------------------|
| | | <u>Amount</u> | <u>Percentage of Levy</u> |
| 2011 | \$ 6,989,413 | \$ 6,989,413 | 100.00% |
| 2012 | 7,456,904 | 7,456,904 | 100.00% |
| 2013 | 7,456,904 | 7,456,904 | 100.00% |
| 2014 | 7,264,716 | 7,264,716 | 100.00% |
| 2015 | 7,748,602 | 7,748,602 | 100.00% |
| 2016 | 8,086,907 | 8,086,907 | 100.00% |
| 2017 | 8,372,297 | 8,372,297 | 100.00% |
| 2018 | 8,385,507 | 8,385,507 | 100.00% |
| 2019 | 8,531,366 | 8,531,366 | 100.00% |
| 2020 | 8,531,366 | 8,531,366 | 100.00% |

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

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

DEBT CAPACITY

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

| <u>Fiscal Year</u> <u>Ended June 30,</u> | <u>Governmental</u> <u>Activities</u> | | <u>Percentage of</u> <u>Personal</u> <u>Income ^a</u> | <u>Per Capita ^a</u> |
|---|---|-----------------------|---|--------------------------------|
| | <u>General</u> <u>Obligation Bonds</u> | <u>Total District</u> | | |
| 2011 | 3,835,000 | 3,835,000 | 2.26% | 648 |
| 2012 | 3,515,000 | 3,515,000 | 2.07% | 593 |
| 2013 | 3,185,000 | 3,185,000 | 1.88% | 539 |
| 2014 | 2,840,000 | 2,840,000 | 1.67% | 479 |
| 2015 | 2,370,000 | 2,370,000 | 1.40% | 401 |
| 2016 | 2,010,000 | 2,010,000 | 1.19% | 341 |
| 2017 | 1,640,000 | 1,640,000 | 0.97% | 278 |
| 2018 | 1,255,000 | 1,255,000 | 0.74% | 212 |
| 2019 | 855,000 | 855,000 | 0.74% | 145 |
| 2020 | - | - | | 74 |

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

a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

General Bonded Debt Outstanding

| <u>Fiscal Year Ended June 30,</u> | <u>General Obligation Bonds</u> | <u>Deductions</u> | <u>Net General Bonded Debt Outstanding</u> | <u>Percentage of Actual Taxable Value ^a of Property</u> | <u>Per Capita ^b</u> |
|---------------------------------------|---|-------------------|--|--|------------------------------------|
| 2011 | 3,835,000 | - | 3,835,000 | 1.44% | 648 |
| 2012 | 3,515,000 | - | 3,515,000 | 1.32% | 594 |
| 2013 | 3,185,000 | - | 3,185,000 | 1.21% | 538 |
| 2014 | 2,840,000 | - | 2,840,000 | 1.08% | 480 |
| 2015 | 2,370,000 | - | 2,370,000 | 0.90% | 401 |
| 2016 | 2,010,000 | - | 2,010,000 | 0.77% | 340 |
| 2017 | 1,640,000 | - | 1,640,000 | 0.62% | 277 |
| 2018 | 1,255,000 | - | 1,255,000 | 0.47% | 212 |
| 2019 | 855,000 | - | 855,000 | 0.47% | 145 |
| 2020 | 435,000 | - | 435,000 | 0.16% | 74 |

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

Deductions are allowable for resources that are restricted to repaying the principal of debt

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2020
(UNAUDITED)

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable ^a</u> | <u>Estimated Share of Overlapping Debt</u> |
|---|-----------------------------|---|--|
| Debt repaid with property taxes | | | |
| Borough of Jamesburg | None | 100% | None |
| County of Middlesex | \$ 462,440,417 | 0.3776% | \$ 1,746,175 |
| Other debt | | | <u>None</u> |
| Subtotal, overlapping debt | | | 1,746,175 |
| Borough of Jamesburg District Direct Debt: | | | |
| Issued and outstanding - Bonds | \$ 435,000 | 100% | |
| Authorized but not Issued - Bonds and Notes | <u>None</u> | 100% | <u>435,000</u> |
| Total direct and overlapping debt | | | <u><u>\$ 2,181,175</u></u> |

Sources: Assessed value data used to estimate applicable percentages provided by the Middlesex County Board of Taxation.
 Debt outstanding data provided by each governmental unit.

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 Jamesburg Borough. 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.

**JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
LEGAL DEBT MARGIN INFORMATION
LAST TEN (10) FISCAL YEARS
(UNAUDITED)**

Legal Debt Margin Calculation for Fiscal Year 2020

| | | |
|--|---|-------------------------|
| | Equalized valuation basis | |
| | 2019 | \$ 436,559,735 |
| | 2018 | 448,139,262 |
| | 2017 | <u>440,824,480</u> |
| | | \$ <u>1,325,523,477</u> |
| | Average equalized valuation of taxable property | \$ 441,841,159 |
| | Debt limit (4% of average equalization value) | 17,673,646 ^a |
| | Total Net Debt Applicable to Limit | <u>435,000</u> |
| | Legal debt margin | \$ <u>17,238,646</u> |

Fiscal Year

| | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt limit | \$ 21,517,694 | \$ 21,049,949 | \$ 19,831,969 | \$ 18,850,133 | \$ 17,717,626 | \$ 17,414,643 | \$ 17,589,521 | \$ 17,547,760 | \$ 17,743,751 | \$ 17,673,646 |
| Total net debt applicable to limit | <u>3,835,000</u> | <u>3,515,000</u> | <u>3,185,000</u> | <u>2,840,000</u> | <u>2,370,000</u> | <u>2,010,000</u> | <u>1,640,000</u> | <u>1,255,000</u> | <u>855,000</u> | <u>435,000</u> |
| Legal debt margin | <u>\$ 17,682,694</u> | <u>\$ 17,534,949</u> | <u>\$ 16,646,969</u> | <u>\$ 16,010,133</u> | <u>\$ 15,347,626</u> | <u>\$ 15,404,643</u> | <u>\$ 15,949,521</u> | <u>\$ 16,292,760</u> | <u>\$ 16,888,751</u> | <u>\$ 17,238,646</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 17.82% | 16.70% | 16.06% | 15.07% | 13.38% | 11.54% | 9.32% | 7.15% | 4.82% | 2.46% |

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

^a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

DEMOGRAPHIC AND ECONOMIC INFORMATION

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

| <u>Year</u> | <u>Population ^a</u> | <u>Personal Income ^b</u> | <u>Per Capita Personal Income ^c</u> | <u>Unemployment Rate ^d</u> |
|-------------|--------------------------------|-------------------------------------|--|---|
| 2011 | 5,915 | 169,571,220 | 28,668 | 8.60% |
| 2012 | 5,915 | 169,571,220 | 28,668 | 8.30% |
| 2013 | 5,915 | 169,571,220 | 28,668 | 8.50% |
| 2014 | 5,915 | 169,571,220 | 28,668 | 10.50% |
| 2015 | 5,915 | 169,571,220 | 28,668 | 5.40% |
| 2016 | 5,915 | 169,571,220 | 28,668 | 5.40% |
| 2017 | 5,915 | 169,571,220 | 28,668 | 5.30% |
| 2018 | 5,915 | 169,571,220 | 28,668 | 4.90% |
| 2019 | 5,915 | 169,571,220 | 28,668 | 4.20% |
| 2020 | 5,915 | 169,571,220 | 28,668 | 3.50% |

Source:

^a Population information provided by 2010 census for 2011-2020.

^b Personal income has been estimated based upon the municipal population and per capita personal income presented.

^c Per capita personal income by municipality estimated based upon the 2010 Census for 2011-2020 published by the US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development (Middlesex County Rate)

**JAMESBURG PUBLIC SCHOOL DISTRICT
 COUNTY OF MIDDLESEX
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND TEN (10) YEARS AGO
 (UNAUDITED)**

| <u>Employer</u> | <u>2020</u> | | | <u>2009</u> | | |
|-----------------|------------------|----------------------------|---|------------------|----------------------------|---|
| | <u>Employees</u> | <u>Rank [Optional]</u> | <u>Percentage of Total Municipal Employment</u> | <u>Employees</u> | <u>Rank [Optional]</u> | <u>Percentage of Total Municipal Employment</u> |
| | | Not Available | | | Not Available | |
| | <hr/> | | <hr/> | <hr/> | | <hr/> |
| | <hr/> <hr/> | | <hr/> <hr/> | <hr/> <hr/> | | <hr/> <hr/> |

Source: Middlesex County Economic Development Corporation and other sources

OPERATING INFORMATION

**JAMESBURG PUBLIC SCHOOL DISTRICT
 COUNTY OF MIDDLESEX
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN (10) FISCAL YEARS
 (UNAUDITED)**

| <u>Function/Program</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Instruction | | | | | | | | | | |
| Regular | 39.0 | 41.0 | 41.0 | 41.4 | 40.1 | 42.9 | 37.0 | 40.8 | 41.0 | 46.5 |
| Special education | 21.0 | 24.0 | 24.0 | 23.0 | 11.5 | 10.0 | 17.5 | 9.0 | 10.7 | 11.5 |
| Other instruction | | | | | | | 4.0 | 5.0 | 7.8 | 7.0 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 7.0 | 6.0 | 6.0 | 7.0 | 6.0 | 5.3 | 1.8 | 10.7 | 12.6 | 12.0 |
| General administration | 2.0 | 2.5 | 2.5 | 1.0 | 1.5 | 2.3 | 1.6 | 1.6 | 1.6 | 1.6 |
| School administrative services | 3.0 | 2.5 | 2.5 | 5.8 | 5.3 | 5.3 | 4.2 | 5.3 | 5.4 | 5.4 |
| Business & Central services | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.4 | 2.6 | 2.2 | 2.2 |
| Administrative Information Technology | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Plant operations and maintenance | 6.0 | 7.0 | 7.0 | 6.0 | 7.0 | 7.0 | 7.1 | 7.8 | 7.8 | 7.8 |
| Food service | | | | 1.5 | 1.5 | 1.5 | 0.9 | 0.9 | 0.8 | 0.8 |
| Child care | | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 4.0 | 1.6 | 1.7 | 1.7 |
| Total | <u>81.00</u> | <u>92.00</u> | <u>92.00</u> | <u>94.70</u> | <u>80.90</u> | <u>82.30</u> | <u>80.52</u> | <u>85.30</u> | <u>91.60</u> | <u>96.50</u> |

Source: District Personnel Records

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
OPERATING STATISTICS
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

| <u>Fiscal Year</u> | <u>Enrollment</u> | <u>Operating Expenditures ^a</u> | <u>Cost Per Pupil ^d</u> | <u>Percentage Change</u> | <u>Teaching Staff ^b</u> | <u>Pupil/Teacher Ratio</u> | <u>Average Daily Enrollment (ADE) ^c</u> | <u>Average Daily Attendance (ADA) ^c</u> | <u>% Change in Average Daily Enrollment</u> | <u>Student Attendance Percentage</u> |
|--------------------|-------------------|--|------------------------------------|--------------------------|------------------------------------|----------------------------|--|--|---|--------------------------------------|
| 2011 | 905 | 11,524,098 | 12,734 | -33.30% | 60.00 | 10.4:1 | 656.0 | 619 | 5.86% | 94.36% |
| 2012 | 922 | 12,106,061 | 13,130 | 3.11% | 65.00 | 9.8:1 | 638.5 | 617 | -2.67% | 96.63% |
| 2013 | 1,121 | 12,610,399 | 11,249 | -14.33% | 64.40 | 10.0:1 | 643.2 | 626 | 0.74% | 97.31% |
| 2014 | 965 | 13,334,616 | 13,818 | 22.84% | 64.40 | 10.0:1 | 643.2 | 626 | 0.00% | 97.31% |
| 2015 | 962 | 13,484,473 | 14,017 | 1.44% | 51.88 | 12.8:1 | 663.0 | 634 | 3.08% | 95.66% |
| 2016 | 946 | 13,449,766 | 14,218 | 1.43% | 55.50 | 11.8:1 | 656.1 | 640 | -1.04% | 97.58% |
| 2017 | 973 | 13,808,552 | 14,192 | -0.18% | 58.50 | 11.5:1 | 675.6 | 655 | 2.97% | 96.95% |
| 2018 | 985 | 15,268,641 | 15,501 | 9.23% | 54.80 | 12.8:1 | 700.2 | 671 | 3.64% | 95.83% |
| 2019 | 986 | 17,239,967 | 17,485 | 12.80% | 59.50 | 11.6:1 | 691.0 | 657 | -1.31% | 95.08% |
| 2020 | 985 | 17,266,308 | 17,529 | 0.25% | 65.00 | 15.7:1 | 706.6 | 683 | 2.26% | 96.66% |

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).
- d Cost per Pupil calculated using Total Expenditures ÷ Operating Expenditures. This is not intended to represent the statutory calculation of cost per pupil.
- e 2009 - 2013 not available for total

**JAMESBURG PUBLIC SCHOOL DISTRICT
 COUNTY OF MIDDLESEX
 SCHOOL BUILDING INFORMATION
 LAST TEN (10) FISCAL YEARS
 (UNAUDITED)**

| District Building | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <u>Elementary</u> | | | | | | | | | | |
| John F. Kennedy School | | | | | | | | | | |
| Square Feet | 67,723 | 67,723 | 67,723 | 67,723 | 67,723 | 67,723 | 67,723 | 67,723 | 67,723 | 67,723 |
| Capacity (Students) | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 |
| Enrollment | 462 | 464 | 486 | 486 | 495 | 481 | 517 | 493 | 501 | 498 |
| <u>Middle School</u> | | | | | | | | | | |
| Grace M. Breckwedel School | | | | | | | | | | |
| Square Feet | 31,115 | 31,115 | 31,115 | 31,115 | 31,115 | 31,115 | 31,115 | 31,115 | 31,115 | 31,115 |
| Capacity (Students) | 224 | 224 | 224 | 224 | 224 | 224 | 224 | 224 | 224 | 224 |
| Enrollment | 198 | 175 | 181 | 181 | 172 | 182 | 174 | 201 | 192 | 208 |

Number of Schools at June 30, 2020
 Elementary = 1
 Middle School = 1

Source: District records

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN (10) FISCAL YEARS
(UNAUDITED)

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

| * School Facilities Project # (s) | <u>John F. Kennedy</u> | <u>Grace M. Breckwedel</u> | <u>Total</u> |
|--------------------------------------|----------------------------|--------------------------------|---------------------|
| 2011 | 116,808 | 50,060 | 166,868 |
| 2012 | 75,740 | 36,026 | 111,766 |
| 2013 | 31,660 | 10,629 | 42,289 |
| 2014 | 15,423 | 8,606 | 24,029 |
| 2015 | 51,642 | 35,729 | 87,371 |
| 2016 | 72,014 | 55,989 | 128,003 |
| 2017 | 45,474 | 44,426 | 89,900 |
| 2018 | 114,358 | 86,880 | 201,238 |
| 2019 | 104,727 | 84,797 | 189,524 |
| 2020 | 92,619 | 77,785 | 170,404 |
| Total School Facilities | <u>\$ 720,465</u> | <u>\$ 490,927</u> | <u>\$ 1,211,392</u> |

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

Source: District records

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
INSURANCE SCHEDULE
JUNE 30, 2020
UNAUDITED

| <u>Type of Policy</u> | <u>Coverage</u> | <u>Deductible</u> |
|-------------------------------------|-----------------|-------------------|
| School Package Policy: | | |
| Property | \$ 500,000,000 | \$ 5,000 |
| Equipment Breakdown | 100,000,000 | 5,000 |
| Comprehensive General Liability | 16,000,000 | N/A |
| Comprehensive Automobile Liability | 16,000,000 | \$ - |
| Hired Car Physical Damage | 110,000 | 1,000 |
| Comprehensive Crime Liability | 100,000 | 500 |
| Computers and Scheduled Equipment: | | |
| Data Processing - Hardware/Software | \$ 480,000 | \$ 1,000 |
| Workers Compensation | \$ 3,000,000 | |
| School Leaders Errors and Omissions | \$ 15,000,000 | \$ 5,000 |
| Public Official Bonds: | | |
| Board Secretary | \$ 250,000 | |
| Treasurer | 200,000 | |

All policies are with the New Jersey School Boards Association Insurance Group, unless otherwise noted above.

Source: District records

SINGLE AUDIT SECTION

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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Exhibit K-1
Sheet 1 of 2

**INDEPENDENT AUDITORS 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 Jamesburg Board of Education
Jamesburg Public School District
County of Middlesex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance Department, 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 Jamesburg Board of Education of the Jamesburg Public Schools, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Jamesburg Board of Education's basic financial statements, and have issued our report thereon dated April 8, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Jamesburg 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 Jamesburg School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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 and therefore material weaknesses or significant deficiencies may exist that may not have been identified. 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.

**INDEPENDENT AUDITORS 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 (CONTINUED)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education of the Jamesburg Public School District's financial statements are free of 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 basic 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. We noted certain immaterial matters which disclosed in the Auditor's Management Report.

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 entity'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY

Freehold, New Jersey
April 8, 2021

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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Exhibit K-2
Sheet 1 of 3

INDEPENDENT AUDITORS REPORT ON COMPLIANCE FOR MAJOR FEDERAL AND STATE PROGRAMS AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NJOMB 15-08

The Honorable President and Members
of the Jamesburg Board of Education
Jamesburg Public School District
County of Middlesex, New Jersey

Report on Compliance for Major State Programs

We have audited the Board of Education of the Jamesburg Public School District's compliance with the types of compliance requirements described in *the OMB Compliance Supplement* and *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of District's major federal and state programs for the year ended June 30, 2020. The Jamesburg Public School District's major federal and state program is 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 the requirements of laws, regulations, contracts and grants applicable to its major federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Jamesburg Board of Education's major federal 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, and the audit requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance); the *New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards Uniform Guidance and NJOMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether on compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about Jamesburg Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

**INDEPENDENT AUDITORS REPORT ON COMPLIANCE FOR
MAJOR FEDERAL AND STATE PROGRAMS AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NJOMB 15-08
(CONTINUED)**

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 Jamesburg Board of Education's compliance.

Opinion on Major Federal and State Programs

In our opinion, the Jamesburg Board of Education 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 Jamesburg Board of Education 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 Jamesburg Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and 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 and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey State Aid/Grant Compliance Supplement, 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 Jamesburg Board of Education's internal control over compliance.

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

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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.

**INDEPENDENT AUDITORS REPORT ON COMPLIANCE FOR
MAJOR FEDERAL AND STATE PROGRAMS AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NJOMB 15-08
(CONTINUED)**

Purpose of Report

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 Circular 15-08. Accordingly, this report is not suitable for any other purposes.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY

Freehold, New Jersey
April 8, 2021

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| Federal Grantor / Pass - Through Grantor / Program Title | Federal CFDA Number | Federal FAIN Number | Grant Period | | Award Amount | Balance, June 30, 2019 | | | Balance, June 30, 2020 | | | |
|--|---------------------------|---------------------------|--------------|-----------|-----------------|--|-------------------|------------------|-----------------------------|---------------------|--------------------------|-------------------|
| | | | From | To | | Deferred Revenue/ (Accounts Receivable) | Due to Grantor | Cash Received | Budgetary (Expenditures) | Deferred Revenue | (Accounts Receivable) | Due to Grantor |
| | | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | | |
| Medical Assistance Program | 93.778 | 2005NJSMAP | 7/1/2019 | 6/30/2020 | \$ 24,465.00 | | | \$ 24,465.00 | \$ (24,465.00) | | | |
| | | | | | | | | \$ 24,465.00 | \$ (24,465.00) | | | |
| Enterprise Fund: | | | | | | | | | | | | |
| U.S. Department of Agriculture | | | | | | | | | | | | |
| Passed - Through NJS Department of Education: | | | | | | | | | | | | |
| Food Distribution Program | 10.555 | 201NJ304N1099 | 7/1/2019 | 6/30/2020 | \$ 30,059.66 | | | \$ 30,059.66 | \$ (28,568.66) | \$ 1,491.00 | | |
| Food Distribution Program | 10.555 | 191NJ304N1099 | 7/1/2018 | 6/30/2019 | 27,302.86 | \$ 1,066.35 | | | (1,066.35) | | | |
| School Breakfast Program | 10.553 | 201NJ304N1099 | 7/1/2019 | 6/30/2020 | 30,377.48 | | | 30,377.48 | (30,377.48) | | | |
| School Breakfast Program | 10.553 | 191NJ304N1099 | 7/1/2018 | 6/30/2019 | 50,897.70 | (3,726.92) | | 3,726.92 | | | | |
| National School Lunch Program | 10.555 | 201NJ304N1099 | 7/1/2019 | 6/30/2020 | 138,221.04 | | | 138,221.04 | (138,221.04) | | | |
| National School Lunch Program | 10.555 | 191NJ304N1099 | 7/1/2018 | 6/30/2019 | 195,654.29 | (12,251.57) | | 12,251.57 | | | | |
| Snack Program | 10.555 | 201NJ304N1099 | 7/1/2019 | 6/30/2020 | 5,093.73 | | | 7,438.22 | (7,438.22) | | | |
| Healthy Hunger Free Kids Program | 10.555 | 191NJ304N1099 | 7/1/2018 | 6/30/2019 | 5,044.38 | (318.54) | | 318.54 | | | | |
| Summer Food Program | 10.559 | 201NJ304N1099 | 7/1/2019 | 6/30/2020 | 11,496.54 | | | 11,496.54 | (11,496.54) | | | |
| COVID Summer Food | 10.559 | 201NJ304N1099 | 7/1/2019 | 6/30/2020 | 61,659.34 | | | 61,659.34 | (61,659.34) | | | |
| Total Enterprise Fund | | | | | | \$ (15,230.68) | | \$ 295,549.31 | \$ (278,827.63) | \$ 1,491.00 | | |

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| Federal Grantor / Pass - Through Grantor / Program Title | Federal CFDA Number | Federal FAIN Number | Grant Period | | Award Amount | Balance, June 30, 2019 | | Cash Received | Budgetary (Expenditures) | Balance, June 30, 2020 | | |
|--|---------------------------|---------------------------|--------------|-----------|-----------------|--|-------------------|----------------------|-----------------------------|------------------------|--------------------------|-------------------|
| | | | From | To | | Deferred Revenue/ (Accounts Receivable) | Due to Grantor | | | Deferred Revenue | (Accounts Receivable) | Due to Grantor |
| | | | | | | | | | | | | |
| Special Revenue Fund | | | | | | | | | | | | |
| U.S. Department of Education | | | | | | | | | | | | |
| Passed - Through NJS Department of Education: | | | | | | | | | | | | |
| Title I | 84.010 | S010A180030 | 7/1/2018 | 6/30/2019 | \$ 203,681.00 | \$ (22,475.00) | | \$ 22,475.00 | | | | |
| Title I | 84.010 | S010A180030 | 7/1/2019 | 6/30/2020 | 187,621.00 | | | 106,167.00 | \$ (182,898.54) | | \$ (76,731.54) | |
| Title II, Part A | 84.367A | S367A170029 | 7/1/2019 | 6/30/2020 | 34,676.00 | | | 33,650.00 | (34,676.00) | | (1,026.00) | |
| Title II, Part A | 84.367A | S367A180029 | 7/1/2018 | 6/30/2019 | 33,766.00 | (1,504.00) | | 1,504.00 | | | | |
| Title III, Part A | 84.365 | S365A170030 | 7/1/2018 | 6/30/2019 | 28,884.00 | (5,884.00) | | 5,884.00 | | | | |
| Title III, Part A | 84.365 | S365A170030 | 7/1/2019 | 6/30/2020 | 30,605.00 | | | 6,681.00 | (15,194.46) | | (8,513.46) | |
| Title IV | 84.369 | S369A180031 | 7/1/2019 | 6/30/2020 | 12,292.00 | | | 11,677.00 | (11,677.00) | | | |
| I.D.E.A. Part B | 84.027 | H027A180100 | 7/1/2018 | 6/30/2019 | 191,815.00 | (95,716.00) | | 95,716.00 | | | | |
| I.D.E.A. Part B | 84.027 | H027A170100 | 7/1/2019 | 6/30/2020 | 193,223.00 | | | 193,223.00 | (193,223.00) | | | |
| I.D.E.A. Preschool | 84.173A | H173A150114 | 7/1/2019 | 6/30/2020 | 6,232.00 | | | 6,232.00 | (6,232.00) | | | |
| I.D.E.A. Preschool | 84.173 | H173A180114 | 7/1/2018 | 6/30/2019 | 5,865.00 | (3,790.00) | | 3,790.00 | | | | |
| Cares Act | 84.825 | S938C1805 | 3/13/2020 | 9/30/2022 | 62,452.00 | | | | (62,451.18) | | (62,451.18) | |
| Total Special Revenue Fund | | | | | | \$ (129,369.00) | | \$ 486,999.00 | \$ (506,352.18) | | \$ (148,722.18) | |
| Total Federal Financial Assistance | | | | | | \$ (144,599.68) | | \$ 807,013.31 | \$ (809,644.81) | \$ 1,491.00 | \$ (148,722.18) | |

**BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| State Grantor/ Program Title | Grant or State Project Number | Grant Period | | Award Amount | June 30, 2019 | | Cash Received | Budgetary (Expenditures) | Balance, June 30, 2020 | | MEMO | |
|---|----------------------------------|--------------|-----------|-----------------|--|-------------------|------------------|-----------------------------|---|-------------------|-------------------------|-------------------------------------|
| | | From | To | | Deferred Revenue/ (Accounts Receivable) | Due to Grantor | | | Deferred Revenue (Accounts Receivable) | Due to Grantor | Budgetary Receivable | Cumulative Total Expenditures |
| State Department of Education: | | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | | |
| Categorical Special Education Aid | 20-495-034-5120-089 | 7/1/2019 | 6/30/2020 | \$ 778,217.00 | | | \$ 778,217.00 | \$ (778,217.00) | | \$ (77,572.54) | \$ (778,217.00) | |
| Equalization Aid | 20-495-034-5120-078 | 7/1/2019 | 6/30/2020 | 5,314,510.00 | | | 5,314,510.00 | (5,314,510.00) | | (529,749.50) | (5,314,510.00) | |
| Categorical Security Aid | 20-495-034-5120-084 | 7/1/2019 | 6/30/2020 | 286,636.00 | | | 286,636.00 | (286,636.00) | | (28,571.83) | (286,636.00) | |
| Categorical Transportation Aid | 20-495-034-5120-014 | 7/1/2019 | 6/30/2020 | 78,155.00 | | | 78,155.00 | (78,155.00) | | (7,790.48) | (78,155.00) | |
| Extraordinary Aid | 19-495-034-5120-044 | 7/1/2018 | 6/30/2019 | 166,939.00 | \$ (166,939.00) | | 166,939.00 | | | | | |
| Extraordinary Aid | 20-495-034-5120-044 | 7/1/2019 | 6/30/2020 | 260,905.00 | | | | (260,905.00) | \$ (260,905.00) | | | (260,905.00) |
| Nonpublic Transportation Aid | 19-495-034-5120-014 | 7/1/2018 | 6/30/2019 | 13,920.00 | (13,920.00) | | 13,920.00 | | | | | |
| Reimbursed T.P.A.F. Social Security Contributions (Non Budgeted) | 19-495-034-5094-034 | 7/1/2018 | 6/30/2019 | 314,569.96 | (17,063.05) | | 17,063.05 | | | | | |
| On-Behalf Teachers' Pension and Annuity Fund | 20-495-034-5094-002 | 7/1/2019 | 6/30/2020 | 915,900.00 | | | 915,900.00 | (915,900.00) | | | | (915,900.00) |
| On Behalf - TPAF -- Post Retirement Medical | 20-495-034-5094-001 | 7/1/2019 | 6/30/2020 | 339,782.00 | | | 339,782.00 | (339,782.00) | | | | (339,782.00) |
| On Behalf - TPAF -- Non-contributory Insurance | 20-495-034-5094-004 | 7/1/2019 | 6/30/2020 | 1,367.00 | | | 1,367.00 | (1,367.00) | | | | (1,367.00) |
| On-Behalf - TPAF FICA Reimbursement | 20-495-034-5094-003 | 7/1/2019 | 6/30/2020 | 361,432.82 | | | 343,898.85 | (361,432.82) | (17,533.97) | | | (361,432.82) |
| Total General Fund | | | | | \$ (197,922.05) | | \$ 8,256,387.90 | \$ (8,336,904.82) | \$ (278,438.97) | \$ (643,684.35) | \$ (8,336,904.82) | |

JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| State Grantor/ Program Title | Grant or State Project Number | Grant Period | | Award Amount | June 30, 2019 | | Cash Received | Budgetary (Expenditures) | Balance, June 30, 2020 | | MEMO | |
|--|----------------------------------|--------------|-----------|-----------------|--|-------------------|------------------|-----------------------------|---|-------------------|-------------------------|-------------------------------------|
| | | From | To | | Deferred Revenue/ (Accounts Receivable) | Due to Grantor | | | Deferred Revenue (Accounts Receivable) | Due to Grantor | Budgetary Receivable | Cumulative Total Expenditures |
| State Department of Education (Continued): | | | | | | | | | | | | |
| Special Revenue Fund: | | | | | | | | | | | | |
| Other: | | | | | | | | | | | | |
| Preschool Education Aid | 20-495-034-5120-086 | 7/1/2019 | 6/30/2020 | \$ 1,353,540.00 | | | \$ 1,353,540.00 | \$ (1,353,540.00) | | | \$ (134,920.65) | \$ (1,353,540.00) |
| Total Special Revenue Fund | | | | | | | \$ 1,353,540.00 | \$ (1,353,540.00) | | | \$ (134,920.65) | \$ (1,353,540.00) |
| Debt Service Fund: | | | | | | | | | | | | |
| Debt Service Support | 20-495-034-5120-075 | 7/1/2019 | 6/30/2020 | \$ 126,209.00 | | | \$ 126,209.00 | \$ (126,209.00) | | | | \$ (126,209.00) |
| Total Debt Service Fund | | | | | | | \$ 126,209.00 | \$ (126,209.00) | | | | \$ (126,209.00) |
| Enterprise Fund: | | | | | | | | | | | | |
| National School Lunch Program (State Share) | 19-100-010-3350-023 | 7/1/2018 | 6/30/2019 | \$ 4,490.83 | \$ (283.41) | | \$ 283.41 | | | | | |
| National School Lunch Program (State Share) | 20-100-010-3350-023 | 7/1/2019 | 6/30/2020 | 3,019.97 | | | 3,019.97 | \$ (3,019.97) | | | | \$ (3,019.97) |
| Total Enterprise Fund | | | | | \$ (283.41) | | \$ 3,303.38 | \$ (3,019.97) | | | | \$ (3,019.97) |
| Total State Financial Assistance | | | | | \$ (198,205.46) | | \$ 9,739,440.28 | \$ (9,819,673.79) | \$ (278,438.97) | | \$ (778,605.00) | \$ (9,819,673.79) |
| Less On-behalf TPAF: | | | | | | | | | | | | |
| Pension | 20-495-034-5094-002 | | | | | | | \$ 915,900.00 | | | | |
| Post-Retirement Medical | 20-495-034-5094-001 | | | | | | | 339,782.00 | | | | |
| Non Contributory Insurance | 20-495-034-5094-004 | | | | | | | 1,367.00 | | | | |
| Total for State Assistance Major Program | | | | | | | | \$ (8,562,624.79) | | | | |

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2020

1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Jamesburg Public School District. The information in this Schedule is presented in accordance with the requirements of Title 2, *US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and NJOMB 15-08. The Board of Education is defined in Note 1 (A) to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules or expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2, *US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and NJOMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two (2) state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last two (2) 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.

**BOARD OF EDUCATION
 JAMESBURG PUBLIC SCHOOL DISTRICT
 NOTES TO THE SCHEDULES OF EXPENDITURES OF
 FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)
 YEAR ENDED JUNE 30, 2020**

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$59,785.35 for the General Fund and a decrease of \$63,541.62 for the Special Revenue Fund. See Note 1 (the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following:

| | <u>Federal</u> | <u>State</u> | <u>Total</u> |
|----------------------|----------------------|------------------------|-------------------------|
| General Fund | \$ 24,465.00 | \$ 8,277,119.47 | \$ 8,301,584.47 |
| Special Revenue Fund | 448,635.21 | 1,347,715.35 | 1,796,350.56 |
| Debt Service Fund | | 126,209.00 | 126,209.00 |
| Food Service Fund | <u>279,252.28</u> | <u>3,019.98</u> | <u>282,272.26</u> |
| | <u>\$ 752,352.49</u> | <u>\$ 9,754,063.80</u> | <u>\$ 10,506,416.29</u> |

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. FEDERAL AND STATE LOANS OUTSTANDING

The District had no loans outstanding payable to federal or state entities at June 30, 2020.

6. OTHER

The amount reported as TPAF Pension Contributions and Post Retirement Medical Contributions represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share social security contributions for TPAF members for the year ended June 30, 2020.

The State of New Jersey also makes TPAF post-retirement medical, pension contribution and disability expenditures on-behalf of the District. These expenditures are not subject to New Jersey OMB Circular 15-08 because the contributions are made by the State directly and do not have any compliance related requirements, and therefore have not been included on the Schedule of State Awards, as directed by the funding agency.

7. INDIRECT COSTS

The District did not use the 10% di minimus indirect cost rate.

**BOARD OF EDUCATION
 JAMESBURG PUBLIC SCHOOL DISTRICT
 COUNTY OF MIDDLESEX
 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, dated
 April 8, 2021

Internal control over financial reporting:

1. Material weakness(es) identified? _____ yes no

2. Reportable condition(s) identified that are not considered to be material weaknesses? _____ yes none reported

Noncompliance material to basic financial statements noted? _____ yes no

Federal Awards –

Internal control over major programs:

1. Material weakness(es) identified? _____ yes no

2. Reportable condition(s) identified that are not considered to be material weaknesses? _____ yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified, dated
 April 8, 2021

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of *Uniform Guidance*? _____ yes no

Identification of major programs:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|--------------------|---|
| 84.010 | Title I |
| 10.555 | National School Lunch Program |
| 10.553 | School Breakfast Program |
| 84.027 | Special Ed Grants |

Dollar threshold used to distinguish between Type A and Type B programs: _____ \$750,000.00

Auditee qualified as low-risk auditee? _____ yes no

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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

State Financial Assistance

Internal control over major programs:

1. Material weakness(es) identified? _____ yes no
2. Reportable condition(s) identified that are not considered to be material weaknesses? _____ yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified, dated April 8, 2021

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08? _____ yes no

Identification of major programs:

| <u>GMIS Number</u> | <u>Name of State Program or Cluster</u> |
|----------------------------|--|
| <u>20-495-034-5120-078</u> | <u>Equalization Aid</u> |
| <u>20-495-034-5120-089</u> | <u>Categorical Special Education Aid</u> |
| <u>20-495-034-5120-086</u> | <u>Pre-School Education Aid</u> |

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.00

Auditee qualified as low-risk auditee? yes _____ no

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Section II - Schedule of Financial Statement Findings

No financial statement findings noted that are required to be reported under *Government Auditing Standards*.

**Section III - Schedule of State Financial Assistance
Findings and Questioned Costs**

No federal or state award findings or questioned costs noted that are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

BOARD OF EDUCATION
JAMESBURG PUBLIC SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2020

FOR THE YEAR ENDED JUNE 30, 2019:

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