

**PINELANDS REGIONAL SCHOOL DISTRICT**

Little Egg Harbor Township, New Jersey  
County of Ocean

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2020**



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



**YEAR ENDED JUNE 30, 2020**

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



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**INTRODUCTORY SECTION**

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# PINELANDS REGIONAL SCHOOL DISTRICT

520 Nugentown Road  
P.O. Box 248  
Little Egg Harbor, NJ 08087-0248

Telephone 609-296-3106  
Fax 609-294-9519



MELISSA MCCOOLEY, Ed.D.  
*Superintendent*

NICHOLAS K. BROWN  
*Business Administrator/Board Secretary*

January 19, 2021

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

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Pinelands Regional School District for the fiscal year ended June 30, 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 Pinelands Regional School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:

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

Financial Section:

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

Statistical Section:

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

Single Audit Section:

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

**REPORTING ENTITY AND ITS SERVICES**

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

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

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	1547	-0.45%
2018-2019	1554	-1.15%
2017-2018	1572	-0.82%
2016-2017	1585	0.51%
2015-2016	1577	-3.55%
2014-2015	1635	-0.67%
2013-2014	1646	-5.94%
2012-2013	1750	-1.74%
2011-2012	1781	-2.36%
2010-2011	1824	2.46%

**ECONOMIC CONDITION AND OUTLOOK**

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

The District currently operates a 9/12 High School and a 7/8 Junior High School. It completed an energy savings project in 2018 that will enable the District to upgrade aged building systems with more energy efficient equipment. The District successfully passed a \$53 million referendum to implement much needed infrastructure repairs and upgrades. Construction began in June 2016 and wrapped up in September 2019.

The District has recently experienced a slight decline in enrollment after several years of stability. However, lack of adequate state funding, burdensome regulation, state mandates and a large special education population continue to strain the resources of the District. However, due to prudent budgetary management and shared services, the District has been able to channel limited resources into programs for students from special education, to gifted and talented and advanced placement.

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

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

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

In an effort to minimize property tax increases, the District continues to operate efficiently and aggressively seek cost savings in areas that do not impact the quality of programs. In 2020, The District was awarded a LEAP Grant to study the feasibility of unifying the Pinelands Regional School Districts. That study will be completed in 2021.

### **MAJOR INITIATIVES**

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

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

The District completed a major capital improvement plan in September 2019 to address the failing educational environment. The upgrades added needed climate control, energy efficiencies, safety and security to the school buildings.

### **INTERNAL ACCOUNTING CONTROLS**

Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

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

### **BUDGETARY CONTROLS**

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

### **ACCOUNTING SYSTEM AND REPORTS**

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

### **FINANCIAL POLICIES**

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

### **OTHER INFORMATION**

#### *INDEPENDENT AUDIT*

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

**ACKNOWLEDGEMENTS**

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

Respectfully submitted,



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Superintendent



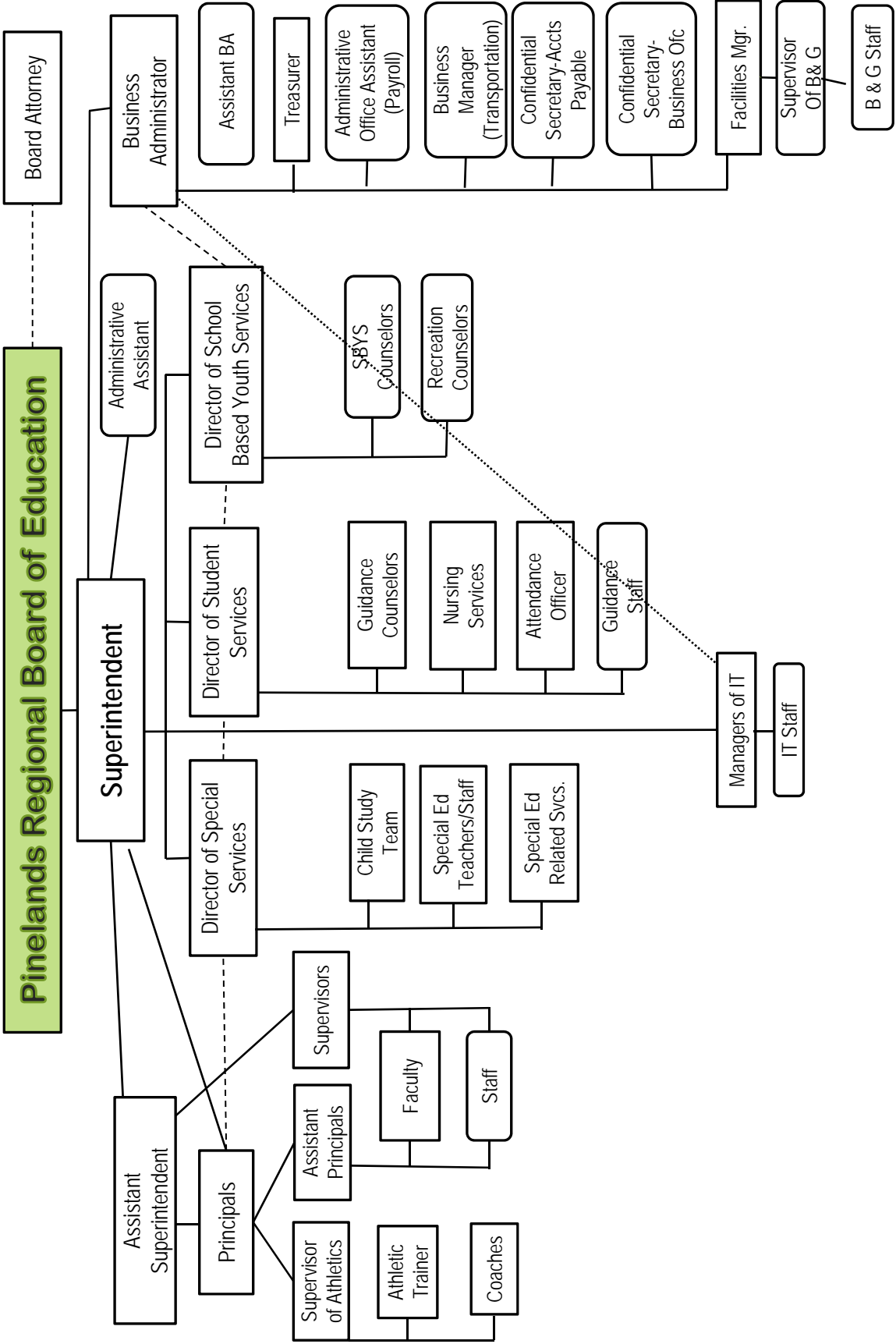
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School Business Administrator/Board Secretary

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# Pinelands Regional Board of Education



Revised: 9/15/2020

**PINELANDS REGIONAL SCHOOL DISTRICT  
LITTLE EGG HARBOR TOWNSHIP, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2020**

**Members of the Board of Education**

**TERM EXPIRES**

Betti Anne McVey, President	2022
Kim Hanadel, Vice President	2020
Patricia Chambers	2021
August Daleo	2022
Rachel Harper	2020
Christie Palladino	2020
Karen Poklikuha	2021
Thomas Rosetti	2022
Thomas Williams, Jr.	2021

**Other Officials**

Dr. Melissa McCooley, Superintendent of Schools  
Nicholas Brown, School Board Secretary/Business Administrator  
Christopher J. Mullins, Treasurer of School Monies  
Kasi Marie Gifford, Board Attorney

**PINELANDS REGIONAL SCHOOL DISTRICT  
LITTLE EGG HARBOR TOWNSHIP, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2020**

**AUDITOR/AUDIT FIRM**

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

**ATTORNEY**

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

**OFFICIAL DEPOSITORY**

OceanFirst Bank  
975 Hooper Avenue  
Toms River, NJ 08753

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**FINANCIAL SECTION**

Second Section

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194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010

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## INDEPENDENT AUDITORS REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Pinelands Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended, June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *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 from material misstatement.

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

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

## Opinions

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

## Other Matters

### *Required Supplementary Information*

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

### *Other Information*

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

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



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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards* , we have also issued our report dated January 19, 2021 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Toms River, New Jersey  
January 19, 2021

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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**PINELANDS REGIONAL SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2020**  
**UNAUDITED**

This section of the Pinelands Regional Public School Board of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year 2019-2020 and the prior fiscal year 2018-2019 is required to be presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2020 are as follows:

- In total, net position of governmental activities increased \$2,140,320.12, which represents a 79.51% increase from 2019. Total net position of business-type activities increased \$22,507.43, which represents a 5.01% increase from 2019.
- General revenues accounted for \$35,653,717.62 in revenue or 81.59% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$8,046,232.98 or 18.41% of total revenue of \$43,699,950.6.
- Total assets of governmental activities decreased by (\$348,219.21) as cash and cash equivalents decreased by (\$12,541,795.73), receivables decreased by (\$212,735.8), restricted cash and cash equivalents increased by \$979,962.7, and total capital assets increased by \$11,426,849.62.
- Total liabilities of governmental activities decreased by (\$3,344,820.42) as non-current liabilities due beyond one year decreased by (\$2,984,551.91).
- The District had \$41,415,651.55 in governmental activity expenses; only \$7,902,254.05 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) were adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$2,140,320.12.
- In the governmental funds, the general fund had \$37,023,000.24 in revenues and \$35,776,126.92 in expenditures. The general fund's fund balance increased by \$1,246,873.32 over 2019.

## USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

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

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

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

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

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

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

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

### ***Governmental Funds***

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

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

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

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

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

### ***Proprietary Funds***

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

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

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

### ***Fiduciary Funds***

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

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

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

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

### **Government-Wide Financial Analysis**

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

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2020 and 2019, respectively:

**Net Position**  
**June 30, 2020**

	Governmental Activities		Business-Type Activities	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Assets</b>				
Current and Other				
Assets	\$ 4,253,994.15	\$ 16,029,062.98	\$ 876,908.58	\$ 854,321.01
Capital Assets, Net	74,875,372.56	63,448,522.94	43,564.46	45,983.46
Total Assets	<u>79,129,366.71</u>	<u>79,477,585.92</u>	<u>920,473.04</u>	<u>900,304.47</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows				
Relating to Pension	1,658,741.00	2,510,435.00	-	-
Deferred Charges on Refunding of Debt	192,902.82	222,090.91	-	-
Total Deferred Outflows of Resources	<u>1,851,643.82</u>	<u>2,732,525.91</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
Long-Term Liabilities	70,905,955.50	73,849,507.41	-	-
Other Liabilities	1,350,195.34	1,751,463.85	448,935.56	451,274.42
Total Liabilities	<u>72,256,150.84</u>	<u>75,600,971.26</u>	<u>448,935.56</u>	<u>451,274.42</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows				
Relating to Pension	3,892,540.00	3,917,141.00	-	-
Total Deferred Inflows of Resources	<u>3,892,540.00</u>	<u>3,917,141.00</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in				
Capital Assets	15,634,015.21	14,814,619.08	43,564.46	45,983.46
Restricted	2,572,024.09	1,312,989.30	-	-
Unrestricted	(13,373,719.61)	(13,435,608.81)	427,973.02	403,046.59
Total Net Position	<u>\$ 4,832,319.69</u>	<u>\$ 2,691,999.57</u>	<u>\$ 471,537.48</u>	<u>\$ 449,030.05</u>

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

Restricted net position increased \$1,259,034.79 from the prior year to \$2,572,024.09 at June 30, 2020.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$13,373,719.61) is shown as unrestricted net position for Governmental Activities.



The following table provides a summary of revenues and expenses for the District’s governmental and business-type activities and the change in net position for June 30, 2020 and 2019. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the ‘Financial Analysis of the District’s Funds’ section later in this report.

	<b><u>June 30, 2020</u></b>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ -	\$ 89,397.36	\$ 89,397.36
Operating Grants and Contributions	7,902,254.05	54,581.57	7,956,835.62
General Revenues:			
Property Taxes	22,562,282.00	-	22,562,282.00
Federal and State Aid	13,013,308.13	-	13,013,308.13
Miscellaneous	78,127.49	-	78,127.49
<b>Total Revenues</b>	<b>43,555,971.67</b>	<b>143,978.93</b>	<b>43,699,950.60</b>
<b>Expenses:</b>			
Instructional Services	24,345,277.51	-	24,345,277.51
Support Services	15,308,997.22	121,471.50	15,430,468.72
Interest and Other Charges	1,761,376.82	-	1,761,376.82
<b>Total Expenses</b>	<b>41,415,651.55</b>	<b>121,471.50</b>	<b>41,537,123.05</b>
Change in Net Position	2,140,320.12	22,507.43	2,162,827.55
Net Position, Beginning	2,691,999.57	449,030.05	3,141,029.62
<b>Net Position, Ending</b>	<b>\$ 4,832,319.69</b>	<b>\$ 471,537.48</b>	<b>\$ 5,303,857.17</b>

	<b><u>June 30, 2019</u></b>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ -	\$ 490,441.06	\$ 490,441.06
Operating Grants and Contributions	10,317,932.09	454,502.47	10,772,434.56
General Revenues:			
Property Taxes	21,434,889.00	-	21,434,889.00
Federal and State Aid	12,541,587.71	-	12,541,587.71
Miscellaneous	752,645.85	-	752,645.85
<b>Total Revenues</b>	<b>45,047,054.65</b>	<b>944,943.53</b>	<b>45,991,998.18</b>
<b>Expenses:</b>			
Instructional Services	26,025,726.87	-	26,025,726.87
Support Services	15,705,253.45	919,584.68	16,624,838.13
Interest and Other Charges	2,075,917.22	-	2,075,917.22
<b>Total Expenses</b>	<b>43,806,897.54</b>	<b>919,584.68</b>	<b>44,726,482.22</b>
Change in Net Position	1,240,157.11	25,358.85	1,265,515.96
Net Position, Beginning	1,451,842.46	423,671.20	1,875,513.66
<b>Net Position, Ending</b>	<b>\$ 2,691,999.57</b>	<b>\$ 449,030.05</b>	<b>\$ 3,141,029.62</b>

## Financial Analysis of the District's Funds

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

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

## Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund and special revenue fund expenditures for the fiscal year ended June 30, 2020 and 2019 and the amount and percentage of increases and (decreases) in relation to prior year expenditures.

	<b><u>June 30, 2020</u></b>			
	Amount	Percent Of Total	Increase (Decrease) From 2019	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 13,276,271.80	24.86%	\$ (252,565.50)	-1.87%
Undistributed	23,411,253.29	43.84%	(400,361.04)	-1.68%
Capital Outlay	13,028,297.14	24.40%	(15,021,670.18)	-53.55%
Transfer to Charter School	39,409.00	0.07%	391.00	1.00%
Debt Service:				
Principal	1,850,000.00	3.46%	1,455,000.00	368.35%
Interest	1,787,933.76	3.35%	(861,168.40)	-32.51%
Special Schools	7,970.00	0.01%	(1,351.00)	-14.49%
<b>Total</b>	<b>\$ 53,401,134.99</b>	<b>100.00%</b>	<b>\$ (15,081,725.12)</b>	<b>-22.02%</b>

	<b><u>June 30, 2019</u></b>			
	Amount	Percent Of Total	Increase (Decrease) From 2018	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 13,528,837.30	19.76%	\$ 218,957.68	1.65%
Undistributed	23,811,614.33	34.77%	447,793.54	1.92%
Capital Outlay	28,049,967.32	40.96%	15,378,351.66	121.36%
Transfer to Charter School	39,018.00	0.06%	(7,901.00)	0.00%
Debt Service:				
Principal	395,000.00	0.58%	(873,000.00)	-68.85%
Interest	2,649,102.16	3.87%	2,457,004.16	1279.04%
Special Schools	9,321.00	0.01%	3,359.50	56.35%
<b>Total</b>	<b>\$ 68,482,860.11</b>	<b>100.00%</b>	<b>\$ 17,624,565.54</b>	<b>34.65%</b>

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

## General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2019-2020 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2019-2020 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2019-2020 unassigned fund balance decreased by (\$112,223.47) to (\$112,223.47) (2% required per S-1701, net of allowable adjustments).

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

The Food Services Enterprise Fund showed a change in net position of (\$23,485.49) in 2019-2020 as compared to a change in net position of (\$187,850.80) in 2018-2019. The food service fund required no contributions from the Board in 2019-2018 or in the 2019-2020 year. The Board has made significant changes to the varieties of offerings to appeal to the grade levels at each school. Although the food service operation is profitable, the district feels an investment in the program is needed to improve service and replace equipment, combined with the changes in the operations recommended by its food service consultant, will continue to ensure that the program’s financial remains positive over time.

**Capital Assets**

At June 30, 2020 the District has capital assets of \$74,918,937.02, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2020</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 412,912.30	\$ -
Construction In Progress	0.34	-
Land Improvements	6,299,909.39	-
Buildings/Construction	67,768,888.75	-
Machinery and Equipment	393,661.78	43,564.46
Total	<u>\$ 74,875,372.56</u>	<u>\$ 43,564.46</u>
	<u>June 30, 2019</u>	
	Governmental Activities	Business-Type Activities
Land	412,912.30	\$ -
Construction In Progress	45,976,035.72	-
Land Improvements	97,795.39	-
Buildings/Construction	16,784,579.75	-
Machinery and Equipment	177,199.78	45,983.46
Total	<u>\$ 63,448,522.94</u>	<u>\$ 45,983.46</u>

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

**Debt Administration and Other Obligations**

At June 30, 2020 and 2019 the District’s outstanding debt issues included \$55,525,000 and \$57,375,000 respectively of general obligation bonds, \$1,488,456 and \$1,392,264 respectively in compensated absences payable, and \$4,931,000 and \$5,071,000 respectively in capital leases.

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

### **Economic Factors and Subsequent Year's Budgets**

- The District anticipates that the approved 2020-2021 budget will be adequate to satisfy all 2020-2021 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2020-2021.

### **Requests for Information**

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

**BASIC FINANCIAL STATEMENTS**

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A. Government-Wide Financial Statements

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**PINELANDS REGIONAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS:</b>			
Cash & Cash Equivalents	\$ 2,019,276.54	\$ 838,882.92	\$ 2,858,159.46
Receivables, Net (Note 4)	1,017,319.79	38,025.66	1,055,345.45
Restricted Cash & Cash Equivalents	1,217,397.82	-	1,217,397.82
Capital Assets, Net (Note 5)			
Non-Depreciable	412,912.64	-	412,912.64
Depreciable	74,462,459.92	43,564.46	74,506,024.38
Total Assets	79,129,366.71	920,473.04	80,049,839.75
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	1,658,741.00	-	1,658,741.00
Related to Loss on Debt Refunding	192,902.82	-	192,902.82
Total Deferred Outflow of Resources	1,851,643.82	-	1,851,643.82
<b>LIABILITIES:</b>			
Accounts Payable	504,427.16	-	504,427.16
Due to Other Governments	502,099.00	-	502,099.00
Unearned Revenue	145,009.74	-	145,009.74
Accrued Interest	647,595.00	-	647,595.00
Internal Balances	(448,935.56)	448,935.56	-
Noncurrent Liabilities (Note 7):			
Due Within One Year	2,401,401.03	-	2,401,401.03
Due in More Than One Year	68,504,554.47	-	68,504,554.47
Total Liabilities	72,256,150.84	448,935.56	72,705,086.40
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	3,892,540.00	-	3,892,540.00
Total Deferred Inflow of Resources	3,892,540.00	-	3,892,540.00
<b>NET POSITION:</b>			
Net Investment in Capital Assets	15,634,015.21	43,564.46	15,677,579.67
Restricted for:			
Capital Projects	1,418,975.10	-	1,418,975.10
Debt Service	0.21	-	0.21
Maintenance Reserve	500,000.00	-	500,000.00
Excess Surplus	653,048.78	-	653,048.78
Unrestricted (Deficit)	(13,373,719.61)	427,973.02	(12,945,746.59)
Total Net Position	\$ 4,832,319.69	\$ 471,537.48	\$ 5,303,857.17

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

PINELANDS REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 16,475,185.62	\$ -	\$ 5,139,170.16	\$ -	\$ (11,336,015.46)	\$ -	\$ (11,336,015.46)
Special Education Instruction	6,003,114.82	-	1,606,954.89	-	(4,396,159.93)	-	(4,396,159.93)
Other Instruction	1,866,977.07	-	499,765.21	-	(1,367,211.86)	-	(1,367,211.86)
Support Services:							
Community Service Programs	182,561.81	-	-	-	(182,561.81)	-	(182,561.81)
Tuition	824,844.88	-	-	-	(824,844.88)	-	(824,844.88)
Student & Instruction Related Services	5,275,875.91	-	656,363.79	-	(4,619,512.12)	-	(4,619,512.12)
General Administrative	871,496.68	-	-	-	(871,496.68)	-	(871,496.68)
School Administrative Services	1,623,603.05	-	-	-	(1,623,603.05)	-	(1,623,603.05)
Central Services	538,085.23	-	-	-	(538,085.23)	-	(538,085.23)
Administrative Info. Technology	5,305.80	-	-	-	(5,305.80)	-	(5,305.80)
Plant Operations & Maintenance	3,128,281.64	-	-	-	(3,128,281.64)	-	(3,128,281.64)
Pupil Transportation	2,808,830.50	-	-	-	(2,808,830.50)	-	(2,808,830.50)
Charter Schools	39,409.00	-	-	-	(39,409.00)	-	(39,409.00)
Special Schools	10,702.71	-	-	-	(10,702.71)	-	(10,702.71)
Interest & Other Charges	1,761,376.82	-	-	-	(1,761,376.82)	-	(1,761,376.82)
Total Governmental Activities	41,415,651.55	-	7,902,254.05	-	(33,513,397.50)	-	(33,513,397.50)
Business-Type Activities:							
Food Service	80,506.42	2,439.36	54,581.57	-	-	(23,485.49)	(23,485.49)
Community Education	25,797.10	12,983.00	-	-	-	(12,814.10)	(12,814.10)
Interlocal Services	15,167.98	73,975.00	-	-	-	58,807.02	58,807.02
Total Business-Type Activities	121,471.50	89,397.36	54,581.57	-	-	22,507.43	22,507.43
Total Primary Government	\$ 41,537,123.05	\$ 89,397.36	\$ 7,956,835.62	\$ -	(33,513,397.50)	22,507.43	(33,490,890.07)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					20,198,929.00	-	20,198,929.00
Property Taxes, Levied for Debt Service					2,363,353.00	-	2,363,353.00
Federal & State Aid Restricted					1,267,715.00	-	1,267,715.00
Federal & State Aid Not Restricted					11,745,593.13	-	11,745,593.13
Miscellaneous					78,127.49	-	78,127.49
Total General Revenues					35,653,717.62	-	35,653,717.62
Change In Net Position					2,140,320.12	22,507.43	2,162,827.55
Net Position - Beginning					2,691,999.57	449,030.05	3,141,029.62
Net Position - Ending					\$ 4,832,319.69	\$ 471,537.48	\$ 5,303,857.17

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

## **B. Fund Financial Statements**

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**Governmental Funds**

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**PINELANDS REGIONAL SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2020**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 929,242.13	\$ -	\$ 1,264,413.74	\$ -	\$ 2,193,655.87
Receivables, Net:					
Interfund Receivable	1,106,757.95	-	-	0.93	1,106,758.88
Due from Other Governments:					
Federal	-	282,310.58	-	-	282,310.58
State	645,609.98	-	-	-	645,609.98
Other Accounts Receivable	46,131.39	-	-	-	46,131.39
Restricted Cash & Cash Equivalents	1,217,397.82	-	-	-	1,217,397.82
<b>Total Assets</b>	<b>\$ 3,945,139.27</b>	<b>\$ 282,310.58</b>	<b>\$ 1,264,413.74</b>	<b>\$ 0.93</b>	<b>\$ 5,491,864.52</b>
<b>LIABILITIES &amp; FUND BALANCES</b>					
<b>Liabilities:</b>					
Cash Deficit	\$ -	\$ 174,378.61	\$ -	\$ 0.72	\$ 174,379.33
Accounts Payable	504,427.16	-	-	-	504,427.16
Interfund Payable	32,678.93	19,040.09	562,836.46	-	614,555.48
Unearned Revenue	56,117.86	88,891.88	-	-	145,009.74
<b>Total Liabilities</b>	<b>593,223.95</b>	<b>282,310.58</b>	<b>562,836.46</b>	<b>0.72</b>	<b>1,438,371.71</b>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Capital Reserve	717,397.82	-	-	-	717,397.82
Maintenance Reserve	500,000.00	-	-	-	500,000.00
Excess Surplus	249,403.78	-	-	-	249,403.78
Excess Surplus Designated for Subsequent Year	403,645.00	-	-	-	403,645.00
Capital Projects	-	-	701,577.28	-	701,577.28
Debt Service	-	-	-	0.21	0.21
<b>Assigned to:</b>					
<b>Designated for</b>					
Subsequent Year	64,439.00	-	-	-	64,439.00
Other Purposes	1,529,253.19	-	-	-	1,529,253.19
Unassigned	(112,223.47)	-	-	-	(112,223.47)
<b>Total Fund Balances</b>	<b>3,351,915.32</b>	<b>-</b>	<b>701,577.28</b>	<b>0.21</b>	<b>4,053,492.81</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 3,945,139.27</b>	<b>\$ 282,310.58</b>	<b>\$ 1,264,413.74</b>	<b>\$ 0.93</b>	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$99,943,491.05 and the accumulated depreciation is \$25,068,118.49.	74,875,372.56
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows Related to Pensions	1,658,741.00
Deferred Inflows Related to Pensions	(3,892,540.00)
Deferred Outflow Related to the Loss on Bond Refunding of Debt	192,902.82
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(647,595.00)
Accrued pension contributions for the June 30, 2020 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(502,099.00)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(70,905,955.50)
<b>Net Position of Governmental Activities</b>	<b>\$ 4,832,319.69</b>

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

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 20,198,929.00	\$ -	\$ -	\$ 2,363,353.00	\$ 22,562,282.00
Miscellaneous	25,443.24	1,916.62	-	-	27,359.86
Total Local Sources	20,224,372.24	1,916.62	-	2,363,353.00	22,589,641.86
State Sources	16,290,009.62	493,941.77	-	1,267,715.00	18,051,666.39
Federal Sources	64,934.13	889,485.04	-	-	954,419.17
Total Revenues	36,579,315.99	1,385,343.43	-	3,631,068.00	41,595,727.42
Expenditures:					
Instruction:					
Regular Instruction	8,255,475.03	728,979.64	-	-	8,984,454.67
Special Education Instruction	3,273,693.80	-	-	-	3,273,693.80
Other Instruction	1,018,123.33	-	-	-	1,018,123.33
Support Services:					
Community Service Programs	135,948.53	-	-	-	135,948.53
Tuition	824,844.88	-	-	-	824,844.88
Attendance & Social Work Services	32,134.46	-	-	-	32,134.46
Health Services	221,982.03	-	-	-	221,982.03
Student & Instruction Related Services	3,018,312.69	656,363.79	-	-	3,674,676.48
General Administrative	648,978.50	-	-	-	648,978.50
School Administrative Services	1,209,050.47	-	-	-	1,209,050.47
Central Services	400,696.59	-	-	-	400,696.59
Administrative Information Technology	3,951.08	-	-	-	3,951.08
Plant Operations & Maintenance	3,075,530.22	-	-	-	3,075,530.22
Pupil Transportation	2,091,655.25	-	-	-	2,091,655.25
Unallocated Benefits	6,482,454.18	-	-	-	6,482,454.18
On Behalf TPAF Pension and Social Security Contributions	4,609,350.62	-	-	-	4,609,350.62
Transfer to Charter Schools	39,409.00	-	-	-	39,409.00
Capital Outlay	419,701.26	-	12,608,595.88	-	13,028,297.14
Debt Service:					
Principal	-	-	-	1,850,000.00	1,850,000.00
Interest & Other Charges	6,865.00	-	-	1,781,068.76	1,787,933.76
Special Schools	7,970.00	-	-	-	7,970.00
Total Expenditures	35,776,126.92	1,385,343.43	12,608,595.88	3,631,068.76	53,401,134.99
Excess/(Deficiency) of Revenues Over Expenditures	803,189.07	-	(12,608,595.88)	(0.76)	(11,805,407.57)
Other Financing Sources (Uses):					
Cancellation of Prior Accounts Payable	52,684.25	-	-	-	52,684.25
Capital Lease (Non-Budgeted)	391,000.00	-	-	-	391,000.00
Total Other Financing Sources (Uses)	443,684.25	-	-	-	443,684.25
Net Changes in Fund Balances	1,246,873.32	-	(12,608,595.88)	(0.76)	(11,361,723.32)
Fund Balance, July 1	2,105,042.00	-	13,310,173.16	0.97	15,415,216.13
Fund Balance, June 30	\$ 3,351,915.32	\$ -	\$ 701,577.28	\$ 0.21	\$ 4,053,492.81

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



**PINELANDS REGIONAL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ (11,361,723.32)

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

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

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

Depreciation Expense	\$ (2,072,217.00)	
Retirement of Fully Depreciated Capital Asset	1,297,309.00	
Loss on Disposal of Capital Asset	(29,228.00)	
Capital Outlays	13,528,294.62	
Retirement of Fully Depreciated Capital Asset	<u>(1,297,309.00)</u>	
		11,426,849.62

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

154,828.00

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

2,381,000.00

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

Capital Lease Proceeds	<u>(391,000.00)</u>	
		(391,000.00)

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

Amortization of Premium on Bonds	36,401.03	
Amortization of Loss on Bond Refunding	<u>(29,188.09)</u>	
		7,212.94

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

19,344.00

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

(96,191.12)

Change in Net Position of Governmental Activities \$ 2,140,320.12

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**Proprietary Funds**

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**PINELANDS REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2020**

	<b>MAJOR FUNDS</b>			
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			<b>TOTALS</b>
	<b>FOOD SERVICE</b>	<b>COMMUNITY EDUCATION</b>	<b>INTERLOCAL SERVICES</b>	
<b>ASSETS</b>				
Current Assets:				
Cash & Cash Equivalents	\$ 349,058.96	\$ 10,597.39	\$ 479,226.57	\$ 838,882.92
Accounts Receivable:				
Other Receivables	38,025.66	-	-	38,025.66
Interfund Receivable	-	21,075.00	13,872.00	34,947.00
Total Current Assets	387,084.62	31,672.39	493,098.57	911,855.58
Noncurrent Assets:				
Capital Assets	457,531.00	-	-	457,531.00
Less: Accumulated Depreciation	(413,966.54)	-	-	(413,966.54)
Total Capital Assets, Net	43,564.46	-	-	43,564.46
Total Noncurrent Assets	43,564.46	-	-	43,564.46
Total Assets	430,649.08	31,672.39	493,098.57	955,420.04
<b>LIABILITIES</b>				
Current Liabilities:				
Interfund Payable	483,882.56	-	-	483,882.56
Total Current Liabilities	483,882.56	-	-	483,882.56
<b>NET POSITION</b>				
Net Investment in Capital Assets	43,564.46	-	-	43,564.46
Unrestricted	(96,797.94)	31,672.39	493,098.57	427,973.02
Total Net Position	\$ (53,233.48)	\$ 31,672.39	\$ 493,098.57	\$ 471,537.48

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

**PINELANDS REGIONAL SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
YEAR ENDED JUNE 30, 2020**

	<b>MAJOR FUNDS</b>			
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			
	<b>FOOD SERVICE</b>	<b>COMMUNITY EDUCATION</b>	<b>INTERLOCAL SERVICES</b>	<b>TOTALS</b>
Operating Revenues:				
Charges for Services:				
Interlocal Service Agreements	\$ -	\$ -	\$ 73,975.00	\$ 73,975.00
Community Education Program	-	12,983.00	-	12,983.00
Miscellaneous	2,439.36	-	-	2,439.36
Total Operating Revenues	2,439.36	12,983.00	73,975.00	89,397.36
Operating Expenses:				
Salaries	-	15,000.00	15,167.98	30,167.98
Supplies and Materials	57,337.00	10,797.10	-	68,134.10
Depreciation	2,419.00	-	-	2,419.00
Other	20,750.42	-	-	20,750.42
Total Operating Expenses	80,506.42	25,797.10	15,167.98	121,471.50
Operating Income/(Loss)	(78,067.06)	(12,814.10)	58,807.02	(32,074.14)
Nonoperating Revenues (Expenses):				
Interest Revenue	1,555.91	-	-	1,555.91
Profit Gurantee	53,025.66	-	-	53,025.66
Total Nonoperating Revenues/(Expenses)	54,581.57	-	-	54,581.57
Change in Net Position	(23,485.49)	(12,814.10)	58,807.02	22,507.43
Total Net Position - Beginning	(29,747.99)	44,486.49	434,291.55	449,030.05
Total Net Position - Ending	\$ (53,233.48)	\$ 31,672.39	\$ 493,098.57	\$ 471,537.48

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

**PINELANDS REGIONAL SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2020**

	<b>MAJOR FUNDS</b>			
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			
	<b>FOOD SERVICE</b>	<b>COMMUNITY EDUCATION</b>	<b>INTERLOCAL SERVICES</b>	<b>TOTALS</b>
Cash Flows From Operating Activities:				
Receipts from Customers	\$ (15,334.44)	\$ 12,983.00	\$ 85,475.00	\$ 83,123.56
Payments to Employees	-	(15,000.00)	(15,167.98)	(30,167.98)
Payments to Suppliers	(42,157.12)	(10,797.10)	(25,475.00)	(78,429.22)
Net Cash Provided by/(Used for) Operating Activities	(57,491.56)	(12,814.10)	44,832.02	(25,473.64)
Cash Flows From Noncapital Financing Activities:				
Profit Guarantee Received	53,025.66	-	-	53,025.66
Net Cash Provided by/(Used for) Noncapital Financing Activities	53,025.66	-	-	53,025.66
Cash Flows From Investing Activities:				
Interest	1,555.91	-	-	1,555.91
Net Cash Provided by/(Used for) Capital & Related Financing Activities	1,555.91	-	-	1,555.91
Net Increase/(Decrease) in Cash & Cash Equivalents	(2,909.99)	(12,814.10)	44,832.02	29,107.93
Balances - Beginning of Year	351,968.95	23,411.49	434,394.55	809,774.99
Balances - End of Year	\$ 349,058.96	\$ 10,597.39	\$ 479,226.57	\$ 838,882.92
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:</b>				
Operating Income/(Loss)	\$ (78,067.06)	\$ (12,814.10)	\$ 58,807.02	\$ (32,074.14)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	2,419.00	-	-	2,419.00
(Increase)/Decrease in Accounts Receivable, Net	(17,773.80)	-	11,500.00	(6,273.80)
(Increase)/Decrease in Inventories	12,794.16	-	-	12,794.16
Increase/(Decrease) in Interfund	23,136.14	-	(25,475.00)	(2,338.86)
Total Adjustments	20,575.50	-	(13,975.00)	6,600.50
Net Cash Provided/(Used) by Operating Activities	\$ (57,491.56)	\$ (12,814.10)	\$ 44,832.02	\$ (25,473.64)

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

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## **Fiduciary Fund**

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**PINELANDS REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2020**

	<b>UNEMPLOYMENT COMPENSATION TRUST</b>	<b>PRIVATE- PURPOSE SCHOLARSHIP FUND</b>	<b>AGENCY FUNDS</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 7,248.41	\$ 93,622.80	\$ 404,329.67
Total Assets	<u>7,248.41</u>	<u>93,622.80</u>	<u>\$ 404,329.67</u>
<b>LIABILITIES</b>			
Interfund Payable	-	-	\$ 43,267.84
Payable for Student Related Activities	-	-	184,635.31
Payroll Deductions & Withholdings	<u>-</u>	<u>-</u>	<u>176,426.52</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 404,329.67</u>
<b>NET POSITION</b>			
Restricted - Held in Trust for Unemployment Claims & Other Purposes	7,248.41	-	
Restricted - Scholarships	<u>-</u>	<u>93,622.80</u>	
Total Net Position	<u>\$ 7,248.41</u>	<u>\$ 93,622.80</u>	

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

**PINELANDS REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2020**

	<b>UNEMPLOYMENT COMPENSATION TRUST</b>	<b>PRIVATE PURPOSE SCHOLARSHIP FUND</b>
	<u>                    </u>	<u>                    </u>
<b>ADDITIONS</b>		
Contributions:		
Other	\$ -	\$ 77,568.79
	<u>                    </u>	<u>                    </u>
Total Contributions	-	77,568.79
	<u>                    </u>	<u>                    </u>
Investment Earnings:		
Interest	32.46	271.69
	<u>                    </u>	<u>                    </u>
Net Investment Earnings	32.46	271.69
	<u>                    </u>	<u>                    </u>
Total Additions	32.46	77,840.48
	<u>                    </u>	<u>                    </u>
<b>DEDUCTIONS</b>		
Unemployment Claims	582.00	-
Scholarships Awarded	-	77,055.00
	<u>                    </u>	<u>                    </u>
Total Deductions	582.00	77,055.00
	<u>                    </u>	<u>                    </u>
Change in Net Position	(549.54)	785.48
	<u>                    </u>	<u>                    </u>
Net Position - Beginning	7,797.95	92,837.32
	<u>                    </u>	<u>                    </u>
Net Position - Ending	\$ 7,248.41	\$ 93,622.80
	<u>                    </u>	<u>                    </u>

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

**PINELANDS REGIONAL SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

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

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

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

**Reporting Entity**

The Pinelands Regional School District is a Type II School District located in the County of Ocean, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the School District is to educate students in grades seven through twelfth. The operation of the District includes one regional junior high and one senior high school, located Little Egg Harbor. The School District has an approximate enrollment at June 30, 2020 of 1,547 students.

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

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

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

**Component Units**

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, GASB 68, *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14.and No. 34* and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14*. The School District had no component units as of for the year ended June 30, 2020.

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting, Measurement Focus and Financial Statement Presentation**

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

**A. Government-Wide Financial Statements**

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

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

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

**B. Governmental Fund Financial Statements**

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



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

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

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

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

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

The School District reports the following major governmental funds:

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

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

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

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

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

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

**C. Proprietary Fund Financial Statements**

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

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

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

The School District reports the following major proprietary funds:

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

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

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

**D. Fiduciary Fund Financial Statements**

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

The School District reports the following fiduciary funds:

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

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

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

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

**Budgets/Budgetary Control**

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

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

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

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

**Encumbrances**

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

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

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

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Cash, Cash Equivalents and Investments**

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

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

N.J.S.A.17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

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

**Tuition Receivable/Payable**

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

**Inventories**

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

**Interfund Receivables/Payables**

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

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

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

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

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

**Compensated Absences**

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

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

**Unearned Revenue**

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

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

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

**Interfund Activity**

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

**Deferred Outflows and Deferred Inflows of Resources**

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

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

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Deferred Loss on Refunding Debt**

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

**Bond Premiums, Discounts and Issuance Costs**

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

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

**Pensions**

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

**Fund Balance**

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

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

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



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

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

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

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

**Net Position**

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

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

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

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

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and January 19, 2021 the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

During the year ended June 30, 2020, the COVID-19 Corona Virus spread across the State of New Jersey and the Nation as a whole. Although the effects of the virus are still ongoing, the District does not expect it to have a material impact on its financial position.

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

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

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

Recently Issued Accounting Pronouncements

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

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

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

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

**Note 2. Deposits and Investments**

**Deposits**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2020, the School District’s bank balance of \$18,097,563.14 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	4,858,820.82
Uninsured and Uncollateralized		861,613.02
Total	\$	5,720,433.84

**Investments**

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

**Note 3. Reserve Accounts**

**Capital Reserve**

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

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

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

Beginning Balance, July 1, 2019	\$	417,397.82
Increased by:		
Deposits Approved by Board		300,000.00
Ending Balance, June 30, 2020	\$	717,397.82

The June 30, 2020 LRFP balance of local support costs of uncompleted capital projects at June 30, 2020 is \$2,975,000.00. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the School District’s Long Rang Facilities Plan.

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

**Note 3. Reserve Accounts (Continued)**

Maintenance Reserve

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

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

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

Beginning Balance, July 1, 2019	\$	200,000.00
Increased by:		
Deposits Approved by Board		300,000.00
Ending Balance, June 30, 2020	\$	500,000.00

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2020 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2020, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental Activities
	<u>General Fund</u>	<u>Special Revenue Fund</u>	
Federal Awards	\$ -	\$ 282,310.58	\$ 282,310.58
State Awards	645,609.98	-	645,609.98
Tuition	46,131.39	-	46,131.39
Other	43,267.84	-	43,267.84
Total	\$ 735,009.21	\$ 282,310.58	\$ 1,017,319.79
	Proprietary Funds		
<u>Description</u>	<u>Food Service Fund</u>	<u>Interlocal Services</u>	Total Business-Type Activities
Other	\$ 38,025.66	\$ -	\$ 38,025.66
Total	\$ 38,025.66	\$ -	\$ 38,025.66

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

**Note 5. Capital Assets**

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

	Governmental Activities			
	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements and Transfers	Balance June 30, <u>2020</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 412,912.30	\$ -	\$ -	\$ 412,912.30
Construction in Progress	45,976,035.72	-	(45,976,035.38)	0.34
Total Capital Assets not being depreciated	46,388,948.02	-	(45,976,035.38)	412,912.64
Capital Assets being depreciated:				
Land Improvements	1,329,983.14	6,392,150.00	(686,116.00)	7,036,017.14
Buildings and Improvements	38,484,548.34	52,783,964.00	-	91,268,512.34
Equipment	1,538,253.93	328,216.00	(640,421.00)	1,226,048.93
Total Capital Assets being depreciated	41,352,785.41	59,504,330.00	(1,326,537.00)	99,530,578.41
Less: Accumulated Depreciation:				
Land Improvements	(1,232,187.75)	(190,036.00)	686,116.00	(736,107.75)
Buildings and Improvements	(21,699,968.59)	(1,799,655.00)	-	(23,499,623.59)
Machinery and Equipment	(1,361,054.15)	(82,526.00)	611,193.00	(832,387.15)
Less: Accumulated Depreciation	(24,293,210.49)	(2,072,217.00)	1,297,309.00	(25,068,118.49)
Total Capital Assets being depreciated, net	17,059,574.92	57,432,113.00	(29,228.00)	74,462,459.92
Total Governmental Activities Capital Assets, net	\$ 63,448,522.94	\$ 57,432,113.00	\$ (46,005,263.38)	\$ 74,875,372.56
<b>Business-Type Activities</b>				
	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements and Transfers	Balance June 30, <u>2020</u>
<b>Business-Type Activities:</b>				
Equipment	\$ 506,133.00	\$ -	\$ (48,602.00)	\$ 457,531.00
Total Capital Assets being depreciated	506,133.00	-	(48,602.00)	457,531.00
Less: Accumulated Depreciation:				
Equipment	(460,149.54)	(2,419.00)	48,602.00	(413,966.54)
Total Capital Assets being depreciated, net	(460,149.54)	(2,419.00)	48,602.00	(413,966.54)
Total Business-Type Activities Capital Assets, net	\$ 45,983.46	\$ (2,419.00)	\$ -	\$ 43,564.46

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

**Note 5. Capital Assets (Continued)**

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

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 751,356.22
Special Education Instruction	273,774.01
Other Instruction	85,144.10
Support Services:	
Community Service Programs	11,369.17
Student & Instruction Related Services	328,558.96
General Administrative	54,273.08
School Administrative Services	101,111.04
Central Services	33,509.64
Administrative Info. Technology	330.42
Plant Operations & Maintenance	257,201.90
Pupil Transportation	174,921.93
Special Schools	666.52
	<hr/>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,072,217.00</u></u>

**Note 6. Interfund Receivables, Payables and Transfers**

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

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 1,106,757.95	\$ 32,678.93
Special Revenue Fund	-	19,040.09
Capital Projects Fund	-	562,836.46
Debt Service Fund	0.93	-
Food Service	-	483,882.56
Community Education	21,075.00	-
Interlocal Services	13,872.00	-
Agency	-	6,909.82
Student Activities	-	36,358.02
	<hr/>	<hr/>
	<u><u>\$ 1,141,705.88</u></u>	<u><u>\$ 1,141,705.88</u></u>

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

There were no interfund transfers for the year ended June 30, 2020.

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

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2020 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2020</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 57,375,000.00	\$ -	\$ 1,850,000.00	\$ 55,525,000.00	\$ 1,875,000.00
Capital Leases	5,071,000.00	391,000.00	531,000.00	4,931,000.00	490,000.00
Unamortized Bond					
Premiums	279,074.94	-	36,401.03	242,673.91	36,401.03
Compensated Absences	1,392,264.47	422,205.13	326,014.01	1,488,455.59	-
Net Pension Liability	9,732,168.00	-	1,013,342.00	8,718,826.00	-
	<u>\$ 73,849,507.41</u>	<u>\$ 813,205.13</u>	<u>\$ 3,756,757.04</u>	<u>\$ 70,905,955.50</u>	<u>\$ 2,401,401.03</u>

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

**Bonds Payable**

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

<b>Purpose</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Amount Issued</b>	<b>Amount Outstanding</b>
Refunding Bonds	2.00%-4.00%	2/15/2027	\$ 5,275,000.00	\$ 3,320,000.00
Serial Bonds 2017	3.00%-3.50%	8/1/2042	53,645,000.00	52,205,000.00
				<u>\$ 55,525,000.00</u>

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

**Note 7. Long-Term Obligations (Continued)**

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,875,000.00	\$ 1,725,418.76	\$ 3,600,418.76
2022	1,920,000.00	1,668,718.76	3,588,718.76
2023	1,965,000.00	1,610,593.76	3,575,593.76
2024	2,020,000.00	1,546,618.76	3,566,618.76
2025	2,040,000.00	1,481,318.76	3,521,318.76
2026-2030	10,645,000.00	6,385,893.80	17,030,893.80
2031-2035	12,365,000.00	4,641,318.80	17,006,318.80
2036-2040	14,145,000.00	2,574,046.88	16,719,046.88
2041-2043	8,550,000.00	434,625.00	8,984,625.00
	<u>\$ 55,525,000.00</u>	<u>\$ 22,068,553.28</u>	<u>\$ 77,593,553.28</u>

**Capital Lease Payable**

The School District is leasing capital items and equipment under capital leases. All capital leases are for terms of five to ten years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2020:

	Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
	2021	\$ 648,558.88
	2022	506,300.00
	2023	405,881.20
	2024	350,031.85
	2025	352,754.45
	2026-2030	1,739,849.50
	2031-2035	1,944,518.50
	2036	415,553.00
		<u>6,363,447.38</u>
Total Minimum Lease Payments		6,363,447.38
Less: Amount Representing Interest		<u>(1,432,447.38)</u>
Present Value of Minimum Lease Payments		<u>\$ 4,931,000.00</u>

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

**Bonds Authorized but not Issued**

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



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

**Note 8. Pension Plans**

**A. Public Employees' Retirement System (PERS)**

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

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

The following represents the membership tiers for PERS:

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

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

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

**Note 8. Pension Plans (Continued)**

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

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2020, the School District reported a liability of \$8,718,826.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The School District's proportion measured as of June 30, 2019, was 0.0483882358%, which was a decrease of (0.001039974)% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized full accrual pension expense of \$326,662. in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date. At June 30, 2020 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 156,492.00	\$ 38,516
Changes of Assumptions	870,607.00	3,026,277
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	137,630
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	129,543.00	690,117.00
School District contributions subsequent to measurement date	502,099.00	-
	<u>\$ 1,658,741.00</u>	<u>\$ 3,892,540.00</u>

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

**Note 8. Pension Plans (Continued)**

\$502,099. reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2019-2020 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2020 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>		
2021	\$	29,932.00
2022		(884,238.00)
2023		(890,564.00)
2024		(444,105.00)
2025		(44,824.00)
	<u>\$</u>	<u>(2,233,799.00)</u>

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

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.73
June 30, 2019	-	5.21
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
Changes in Proportion and Differences between District Contributions		
Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63

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

**Note 8. Pension Plans (Continued)**

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

Inflation Rate	2.75%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2014 - June 30, 2018

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

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

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 Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

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

**Note 8. Pension Plans (Continued)**

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

**Discount Rate** - The discount rate used to measure the total pension liability was 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 based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease (5.28%)</b>	<b>At Current Discount Rate (6.28%)</b>	<b>At 1% Increase (7.28%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ 11,089,910	\$ 8,718,826	\$ 6,832,616

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

	<u>6/30/2020</u>		<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 3,149,522,616	\$	4,684,852,302
Collective Deferred Inflows of Resources	\$ 7,645,087,574	\$	7,646,736,226
Collective Net Pension Liability	\$ 18,143,832,135	\$	19,689,501,539
School District's portion	0.0483882%		0.0494282%

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

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

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

The following represents the membership tiers for TPAF:

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

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

**Note 8. Pension Plans (Continued)**

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

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

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

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2019 was \$76,254,910.00. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.12425%, which was a decrease of 0.00682% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized a pension expense in the amount of \$4,497,718 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2019 measurement date.

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

**Note 8. Pension Plans (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	2.75%
Salary Increases:	
2012-2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
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 Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF’s target asset allocation as of June 30, 2019 are summarized in the following table:



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

**Note 8. Pension Plans (Continued)**

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

**Discount Rate** - The discount rate used to measure the total pension liability was 5.60% 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 based on 70% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(4.60%)</u></b>	<b>At Current Discount Rate <u>(5.60%)</u></b>	<b>At 1% Increase <u>(6.60%)</u></b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 89,921,417	\$ 76,254,910	\$ 64,916,025

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

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

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 10,129,162,237	\$ 12,675,037,111
Collective Deferred Inflows of Resources	\$ 17,736,240,054	\$ 16,381,811,884
Collective Net Pension Liability	\$ 61,519,112,443	\$ 63,806,350,446
School District's portion	0.1242525%	0.1310677%

**C. Defined Contribution Retirement Plan (DCRP)**

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

Individuals eligible for membership in the DCRP include:

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

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

**Note 8. Pension Plans (Continued)**

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

For the year ended June 30, 2020, employee contributions totaled \$8,604.65, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$4,651.20.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

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

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

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

**Basis of Presentation**

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

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

**Note 9. Other Post-Retirement Benefits (continued)**

**Total Nonemployer OPEB Liability**

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

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

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

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

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$58,576,271.00. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2019, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the OPEB Obligation attributable to the School District was 0.14037278%, which was a decrease of (0.00302949%) from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized an OPEB expense in the amount of \$1,174,333.00 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2019 measurement date.

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

**Note 9. Other Post-Retirement Benefits (continued)**

**Health Care Trend Assumptions**

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected.. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% decreasing to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend is 5.0%.

**Discount Rate**

The discount rate for June 30, 2019 was 3.87%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

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

	<b>June 30, 2019</b>		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 69,201,723.78	\$ 58,576,271.00	\$ 50,135,993.74
State of New Jersey's Total Nonemployer OPEB Liability	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

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

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

	<b>June 30, 2019</b>		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 48,264,236.42	\$ 58,576,271.00	\$ 72,227,287.35
State of New Jersey's Total Nonemployer OPEB Liability	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

\* See Healthcare Cost Trend Assumptions for details of rates.

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

**Note 9. Other Post-Retirement Benefits (continued)**

**Additional Information**

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

Differences between Expected & Actual Experience	\$	-	\$ (10,484,965,300)
Changes in Assumption		-	(8,481,529,343)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **		TBD	-
	\$	-	\$ (18,966,494,643)

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

Fiscal Year Ending June 30,			
2020	\$	(2,546,527,182)	
2021		(2,546,527,182)	
2022		(2,546,527,182)	
2023		(2,546,527,182)	
2024		(2,546,527,182)	
Thereafter		(6,233,858,733)	
	\$	(18,966,494,643)	

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

**Plan Membership**

At June 30, 2018, the Program membership consisted of the following:

		<u>June 30, 2018</u>
Active Plan Members		216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits		<u>148,051</u>
Total Plan Members		<u><u>364,943</u></u>

**Changes in the total OPEB Liability**

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

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

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

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2020, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$2,745,836, \$843,850, \$1,018,655, and \$1,010, respectively.

**Note 11. Risk Management**

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

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

<u>Fiscal Year</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ 32.46	\$ 582.00	\$ 7,248.41
2018-2019	36.37	658.76	7,797.95
2017-2018	27.18	657.00	8,420.34

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

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

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

**Note 12. Contingencies**

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

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

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

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

**Note 13. Deferred Compensation**

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

AXA Equitable  
NY Life

VALIC  
Sharehold Service Group

Ameriprise Financial Services

**Note 14. Compensated Absences**

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2020, the liability for compensated absences reported was \$1,488,455.59.

**Note 15. Tax Abatements**

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



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

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2020 was \$249,403.78.

**Note 17. Fund Balances**

General Fund – Of the \$3,351,915.32 General Fund fund balance at June 30, 2020, \$717,397.82 has been restricted for the Capital Reserve Account; \$500,000.00 has been restricted for the Maintenance Reserve Account; \$403,645.00 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$249,403.78 is restricted for current year excess surplus; \$64,439.00 has assigned designated to subsequent year, \$1,529,253.19 has been assigned to other purposes, and (\$112,223.47) is unassigned.

Debt Service Fund – Of the 0.21 Debt Service Fund fund balance at June 30, 2020, 0.21 is restricted for future debt service payments.

Capital Projects Fund – Of the \$701,577.28 Capital Projects Fund fund balance at June 30, 2020, \$701,577.28 is restricted for future capital projects approved by the school district.

**Note 18. Deficit in Net Position**

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$13,373,719.61 at June 30, 2020. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2020. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

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**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### **C. Budgetary Comparison Schedules**

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**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2020		FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
		BUDGET TRANSFERS	BUDGET			
Revenues:						
Local Sources:						
Local Tax Levy	\$ 20,198,929.00	\$ -	\$ 20,198,929.00	\$ 20,198,929.00	\$ -	\$ -
Unrestricted Miscellaneous Revenues	1,200.00	-	1,200.00	25,443.24	24,243.24	24,243.24
Interest Earned on Capital Reserve Funds	500.00	-	500.00	-	(500.00)	(500.00)
<b>Total Local Sources</b>	<b>20,200,629.00</b>	<b>-</b>	<b>20,200,629.00</b>	<b>20,224,372.24</b>	<b>23,743.24</b>	<b>23,743.24</b>
State Sources:						
School Choice Aid	63,477.00	-	63,477.00	63,477.00	-	-
Categorical Transportation Aid	898,788.00	-	898,788.00	898,788.00	-	-
Extraordinary Aid	200,000.00	-	200,000.00	554,048.00	354,048.00	354,048.00
Categorical Special Education Aid	1,098,899.00	-	1,098,899.00	1,098,899.00	-	-
Equalization Aid	8,420,721.00	-	8,420,721.00	8,420,721.00	-	-
Categorical Security Aid	387,815.00	-	387,815.00	387,815.00	-	-
Adjustment Aid	223,813.00	-	223,813.00	223,813.00	-	-
Other State Aids	-	-	-	852.00	852.00	852.00
Nonbudgeted:						
TPAF Pension (on-behalf)	-	-	-	2,745,836.00	2,745,836.00	2,745,836.00
TPAF Social Security (reimbursed)	-	-	-	843,849.62	843,849.62	843,849.62
TPAF Post Retirements	-	-	-	1,018,655.00	1,018,655.00	1,018,655.00
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	1,010.00	1,010.00	1,010.00
<b>Total State Sources</b>	<b>11,293,513.00</b>	<b>-</b>	<b>11,293,513.00</b>	<b>16,257,763.62</b>	<b>4,964,250.62</b>	<b>4,964,250.62</b>
Federal Sources:						
Medicaid Reimbursement	82,488.00	-	82,488.00	64,934.13	(17,553.87)	(17,553.87)
<b>Total Federal Sources</b>	<b>82,488.00</b>	<b>-</b>	<b>82,488.00</b>	<b>64,934.13</b>	<b>(17,553.87)</b>	<b>(17,553.87)</b>
<b>Total Revenues</b>	<b>31,576,630.00</b>	<b>-</b>	<b>31,576,630.00</b>	<b>36,547,069.99</b>	<b>4,970,439.99</b>	<b>4,970,439.99</b>

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Grades 6-8 - Salaries of Teachers	11-130-100-101	2,914,255.00	(1,127,377.00)	1,786,878.00	14,973.17
Grades 9-12 - Salaries of Teachers	11-140-100-101	4,593,945.00	1,174,222.00	5,768,167.00	1,425.15
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	45,000.00	(15,686.00)	29,314.00	3,700.50
Purchased Professional - Educational Services	11-150-100-320	35,937.17	(9,784.00)	26,153.17	100.61
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	11-190-100-320	13,170.00	(1,972.75)	11,197.25	-
Other Purchased Services	11-190-100-500	299,336.00	13,545.15	312,881.15	54,674.38
General Supplies	11-190-100-610	502,608.38	10,220.29	512,828.67	185,954.66
Textbooks	11-190-100-640	85,413.00	(4,578.62)	80,834.38	18,097.11
Other Objects	11-190-100-800	30,090.00	7,951.00	38,041.00	31,894.01
<b>Total Regular Programs - Instruction</b>		<b>8,519,754.55</b>	<b>46,540.07</b>	<b>8,566,294.62</b>	<b>310,819.59</b>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	352,900.00	-	352,900.00	4,000.00
Other Salaries for Instruction	11-204-100-106	86,900.00	-	86,900.00	4,000.00
General Supplies	11-204-100-610	13,234.43	-	13,234.43	7,493.54
<b>Total Learning and/or Language Disabilities</b>		<b>453,034.43</b>	<b>-</b>	<b>453,034.43</b>	<b>15,493.54</b>
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	11-209-100-101	256,400.00	-	256,400.00	3,000.00
Other Purchased Services	11-209-100-500	2,500.00	-	2,500.00	2,500.00
General Supplies	11-209-100-610	7,500.00	-	7,500.00	6,219.75
<b>Total Behavioral Disabilities</b>		<b>266,400.00</b>	<b>-</b>	<b>266,400.00</b>	<b>11,719.75</b>
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	11-212-100-101	128,000.00	(8,000.00)	120,000.00	1,500.00
Other Salaries for Instruction	11-212-100-106	91,900.00	-	91,900.00	2,500.00
Purchased Professional - Educational Services	11-212-100-320	-	8,000.00	8,000.00	5,148.45
Other Purchased Services	11-212-100-500	5,750.00	-	5,750.00	3,103.00
General Supplies	11-212-100-610	4,776.46	-	4,776.46	1,773.55
<b>Total Multiple Disabilities</b>		<b>230,426.46</b>	<b>-</b>	<b>230,426.46</b>	<b>14,025.00</b>



**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2020		VARIANCE FINAL TO ACTUAL
		BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction: Resource Room/Resource Center: Salaries of Teachers	1,845,100.00	-	1,845,100.00	1,841,774.12
Other Salaries	153,720.00	40,392.00	194,112.00	144,971.11
General Supplies	14,600.00	(9,000.00)	5,600.00	5,437.50
<b>Total Resource Room/Resource Center</b>	<b>2,013,420.00</b>	<b>31,392.00</b>	<b>2,044,812.00</b>	<b>1,992,182.73</b>
Special Education - Instruction: Autism: Salaries of Teachers	61,200.00	15,300.00	76,500.00	76,500.00
Other Salaries for Instruction	176,300.00	23,031.00	199,331.00	199,330.52
Other Purchased Services	5,650.00	(5,223.00)	427.00	427.00
General Supplies	3,456.22	-	3,456.22	2,644.77
Other Objects	500.00	-	500.00	500.00
<b>Total Autism</b>	<b>247,106.22</b>	<b>33,108.00</b>	<b>280,214.22</b>	<b>278,475.29</b>
Special Education - Instruction: Home Instruction: Salaries of Teachers	65,000.00	-	65,000.00	54,451.68
Purchased Professional - Educational Services	41,650.00	-	41,650.00	39,961.50
<b>Total Home Instruction</b>	<b>106,650.00</b>	<b>-</b>	<b>106,650.00</b>	<b>94,413.18</b>
<b>Total Special Education - Instruction</b>	<b>3,317,037.11</b>	<b>64,500.00</b>	<b>3,381,537.11</b>	<b>3,273,693.80</b>
Basic Skills/Remedial - Instruction: Salaries of Teachers	20,000.00	-	20,000.00	20,000.00
<b>Total Basic Skills/Remedial - Instruction</b>	<b>20,000.00</b>	<b>-</b>	<b>20,000.00</b>	<b>20,000.00</b>
Bilingual Education - Instruction: General Supplies	3,800.00	-	3,800.00	3,466.14
Textbooks	3,000.00	-	3,000.00	2,433.99
Other Objects	500.00	-	500.00	256.00
<b>Total Bilingual Education - Instruction</b>	<b>7,300.00</b>	<b>-</b>	<b>7,300.00</b>	<b>6,156.13</b>
<b>Total Special Education - Instruction</b>	<b>3,384,337.11</b>	<b>64,500.00</b>	<b>3,448,837.11</b>	<b>3,377,689.92</b>

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
School-Sponsored Coextrricular/Extra Curricular Activities - Instruction:					
Salaries	11-401-100-100	359,993.00	-	359,993.00	148,741.54
Other Objects	11-401-100-800	17,500.00	-	17,500.00	10,546.66
<b>Total School-Sponsored Coextrricular/Extra Curricular Activities - Instruction</b>		<b>377,493.00</b>	<b>-</b>	<b>377,493.00</b>	<b>159,288.20</b>
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	674,550.00	-	674,550.00	65,373.68
Purchased Services	11-402-100-500	10,900.00	-	10,900.00	10,900.00
Supplies and Materials	11-402-100-600	112,809.75	(13,000.00)	99,809.75	10,643.27
Other Objects	11-402-100-800	95,450.00	13,000.00	108,450.00	33,030.40
<b>Total School-Sponsored Athletics - Instruction</b>		<b>893,709.75</b>	<b>-</b>	<b>893,709.75</b>	<b>119,947.35</b>
Community Service Programs:					
Salaries	11-800-330-100	130,893.00	5,066.00	135,959.00	10.47
<b>Total Community Service Programs</b>		<b>130,893.00</b>	<b>5,066.00</b>	<b>135,959.00</b>	<b>10.47</b>
Undistributed Expenditures - Instruction (Tuition):					
Tuition to Other LEAs Within State - Regular	11-000-100-561	34,669.44	(18,099.66)	16,569.78	13,535.12
Tuition to Other LEAs Within State - Special	11-000-100-562	128,500.00	(51,345.79)	77,154.21	42,000.00
Tuition to County Vocational School - Regular	11-000-100-563	103,195.90	19,271.10	122,467.00	-
Tuition to County Vocational School - Special	11-000-100-564	-	60,126.77	60,126.77	26,621.77
Tuition to County Special Services & Regular Day Schools	11-000-100-565	296,528.85	(50,733.79)	245,795.06	50,629.83
Tuition to Private School Disabled - Within State	11-000-100-566	226,461.52	181,729.23	408,190.75	67,299.37
Tuition - State Facilities	11-000-100-568	48,399.06	(4,027.06)	44,372.00	-
Tuition - Other	11-000-100-569	57,794.14	(407.14)	57,387.00	7,131.60
<b>Total Undistributed Expenditures - Instruction (Tuition)</b>		<b>895,548.91</b>	<b>136,513.66</b>	<b>1,032,062.57</b>	<b>207,217.69</b>
Undistributed Expenditures Attendance and Social Work:					
Salaries	11-000-211-100	40,750.00	(7,573.00)	33,177.00	1,042.54
Other Purchased Services	11-000-211-500	250.00	-	250.00	250.00
Supplies and Materials	11-000-211-600	3,000.00	(1,067.00)	1,933.00	1,933.00
<b>Total Undistributed Expenditures Attendance and Social Work</b>		<b>44,000.00</b>	<b>(8,640.00)</b>	<b>35,360.00</b>	<b>3,225.54</b>

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2020		VARIANCE FINAL TO ACTUAL
		BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Health Services:				
Salaries	194,800.00	11,135.00	205,935.00	205,934.98
Purchased Professional & Technical Services	16,346.00	(3,353.00)	12,993.00	6,977.00
Other Purchased Services	4,000.00	(4,000.00)	-	6,016.00
Supplies and Materials	9,450.00	(209.00)	9,241.00	9,070.05
Other Objects	200.00	-	200.00	170.95
				200.00
Total Undistributed Expenditures - Health Services	224,796.00	3,573.00	228,369.00	221,982.03
Undistributed Expenditures - Speech, OT, PT and Related Services:				
Salaries	86,200.00	41,560.00	127,760.00	127,760.00
Purchased Professional - Educational Services	218,212.48	(55,852.74)	162,359.74	74,981.35
Supplies and Materials	1,800.00	-	1,800.00	1,729.20
				70.80
Total Undistributed Expenditures - Speech, OT, PT and Related Services	306,212.48	(14,292.74)	291,919.74	204,470.55
Undistributed Expenditures - Other Support Services - Extra Services:				
Salaries	119,070.00	32,644.00	151,714.00	149,210.62
Purchased Professional - Educational Services	173,700.00	(46,106.50)	127,593.50	58,163.33
				2,503.38
Total Undistributed Expenditures - Other Support Services - Extra Services	292,770.00	(13,462.50)	279,307.50	207,373.95
Undistributed Expenditures - Guidance:				
Salaries of Other Professional Staff	713,900.00	3,139.00	717,039.00	710,896.77
Salaries of Secretaries & Clerical Assistants	190,500.00	-	190,500.00	182,355.44
Unused Vacation Payments	10,136.00	(2,317.00)	7,819.00	7,818.75
Purchased Professional - Educational Services	3,000.00	(822.00)	2,178.00	1,643.97
Other Purchased Professional and Technical Services	50,000.00	9,949.28	59,949.28	59,894.30
Other Purchased Services	5,000.00	-	5,000.00	2,302.94
Supplies and Materials	14,500.00	4,016.72	18,516.72	14,516.72
Other Objects	24,500.00	(9,419.02)	15,080.98	5,746.65
				2,697.06
Total Undistributed Expenditures - Guidance	1,011,536.00	4,546.98	1,016,082.98	985,175.54
				30,907.44

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	666,800.00	-	666,800.00	12,718.63
Salaries of Secretaries & Clerical Assistants	11-000-219-105	80,800.00	5,163.00	85,963.00	0.50
Purchased Professional - Educational Services	11-000-219-320	22,952.50	11,137.00	34,089.50	11,908.68
Other Purchased Prof. and Tech. Services	11-000-219-390	-	22,125.00	22,125.00	11,062.50
Other Purchased Services	11-000-219-500	12,000.00	(12,000.00)	-	-
Miscellaneous Purchased Services	11-000-219-592	-	15,700.00	15,700.00	3,778.14
Supplies and Materials	11-000-219-600	5,000.00	20,000.00	25,000.00	1,526.98
Other Objects	11-000-219-800	500.00	-	500.00	500.00
<b>Total Undistributed Expenditures - Child Study Teams</b>		<b>788,052.50</b>	<b>62,125.00</b>	<b>850,177.50</b>	<b>41,495.43</b>
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	244,339.00	2,111.00	246,450.00	0.29
Salaries of Sec. and Clerical Assist.	11-000-221-105	129,432.00	-	129,432.00	-
Unused Vacation Payments	11-000-221-199	19,272.00	(7.08)	19,264.92	2,260.23
Purchased Professional - Educational Services	11-000-221-320	4,000.00	10,000.00	14,000.00	6,000.00
Supplies and Materials	11-000-221-600	2,250.00	(993.54)	1,256.46	-
Other Objects	11-000-221-800	2,859.00	(649.00)	2,210.00	-
<b>Total Undistributed Expenditures - Improvement of Instruction Services</b>		<b>402,152.00</b>	<b>10,461.38</b>	<b>412,613.38</b>	<b>8,260.52</b>
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	32,500.00	-	32,500.00	-
Salaries of Technology Coordinators	11-000-222-177	315,891.00	12,319.00	328,210.00	0.42
Purchased Professional and Technical Services	11-000-222-300	11,020.00	(6,026.60)	4,993.40	468.80
Other Purchased Services	11-000-222-500	850.00	7,650.00	8,500.00	3,811.18
Supplies and Materials	11-000-222-600	21,750.00	(1,373.40)	20,376.60	1.13
Other Objects	11-000-222-800	5,000.00	(5,000.00)	-	-
<b>Total Undistributed Expenditures - Educational Media Services/Library</b>		<b>387,011.00</b>	<b>7,569.00</b>	<b>394,580.00</b>	<b>4,281.53</b>
Undistributed Expenditures - Instructional Staff Training Services:					
Purchased Professional - Educational Services	11-000-223-320	15,500.00	554.62	16,054.62	40.37
Other Purchased Services	11-000-223-500	8,600.00	(7,675.00)	925.00	600.00
Supplies and Materials	11-000-223-600	4,000.00	(1,755.00)	2,245.00	625.00

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Total Undistributed Expenditures - Instructional Staff Training Services		28,100.00	(8,875.38)	19,224.62	17,959.25	1,265.37
Undistributed Expenditures - Support Services - General Administration:						
Salaries	11-000-230-100	220,832.00	-	220,832.00	176,524.74	44,307.26
Legal Services	11-000-230-331	144,235.60	38,652.85	182,888.45	140,032.68	42,855.77
Audit Fees	11-000-230-332	34,000.00	(178.00)	33,822.00	33,822.00	-
Other Purchased Professional Services	11-000-230-339	162,048.79	(1,942.91)	160,105.88	145,047.06	15,058.82
Communications/Telephone	11-000-230-530	6,240.00	59,788.96	66,028.96	49,606.73	16,422.23
Other Purchased Services	11-000-230-590	102,131.99	(1,532.85)	100,599.14	97,209.57	3,389.57
General Supplies	11-000-230-610	3,500.00	(3,500.00)	-	-	-
BOE In-House Training/Meeting Supplies	11-000-230-630	5,624.00	(4,007.56)	1,616.44	616.44	1,000.00
Miscellaneous Expenditures	11-000-230-890	500.00	(500.00)	-	-	-
BOE Membership Dues and Fees	11-000-230-895	7,000.00	(880.72)	6,119.28	6,119.28	-
Total Undistributed Expenditures - Support Services - General Administration		686,112.38	85,899.77	772,012.15	648,978.50	123,033.65
Undistributed Expenditures - Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	861,648.00	-	861,648.00	842,485.08	19,162.92
Salaries of Secretaries & Clerical Assistants	11-000-240-105	309,900.00	-	309,900.00	285,735.00	24,165.00
Unused Vacation Payment to Staff	11-000-240-199	7,571.00	1,795.51	9,366.51	9,366.51	-
Purchased Professional & Technical Services	11-000-240-300	525.00	3,150.00	3,675.00	525.00	3,150.00
Other Purchased Services	11-000-240-500	27,250.00	(1,650.00)	25,600.00	16,945.05	8,654.95
Supplies and Materials	11-000-240-600	54,545.00	(3,795.51)	50,749.49	39,305.68	11,443.81
Other Objects	11-000-240-800	28,005.00	-	28,005.00	14,688.15	13,316.85
Total Undistributed Expenditures - Support Services - School Administration		1,289,444.00	(500.00)	1,288,944.00	1,209,050.47	79,893.53
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	312,097.00	(81,693.00)	230,404.00	230,403.56	0.44
Purchased Technical Services	11-000-251-335	-	102,500.00	102,500.00	76,874.94	25,625.06
Purchased Technical Services	11-000-251-340	72,844.00	13,985.28	86,829.28	75,311.69	11,517.59
Miscellaneous Purchased Services	11-000-251-592	5,000.00	(3,000.00)	2,000.00	2,000.00	-
Supplies and Materials	11-000-251-600	5,000.00	5,037.42	10,037.42	9,856.40	181.02
Miscellaneous Expenditures	11-000-251-890	1,065.00	5,185.00	6,250.00	6,250.00	-
Total Undistributed Expenditures - Central Services		396,006.00	42,014.70	438,020.70	400,696.59	37,324.11

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Administrative Information Technology: Purchased Technical Services	-	3,280.00	3,280.00	-
Other Purchased Services	2,000.00	(2,000.00)	-	-
Supplies and Materials	4,100.00	(3,311.70)	788.30	671.08
<b>Total Undistributed Expenditures - Administrative Information Technology</b>	<b>6,100.00</b>	<b>(2,031.70)</b>	<b>4,068.30</b>	<b>117.22</b>
Undistributed Expenditures - Required Maintenance for School Facilities: Salaries	496,502.00	-	496,502.00	404,108.90
Cleaning, Repair & Maintenance Services	168,294.50	(44,151.39)	124,143.11	88,048.32
Travel	-	7,490.00	7,490.00	7,490.00
General Supplies	100,611.06	(26,219.28)	74,391.78	63,195.21
Other Objects	1,000.00	(1,000.00)	-	-
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>766,407.56</b>	<b>(63,880.67)</b>	<b>702,526.89</b>	<b>562,842.43</b>
Undistributed Expenditures - Custodial Services: Salaries	806,407.00	(17.00)	806,390.00	785,840.82
Unused Vacation Payment to Staff	1,487.00	-	1,487.00	1,487.00
Purchased Professional and Technical Services	-	7,534.00	7,534.00	6,534.00
Cleaning, Repair & Maintenance Services	63,192.50	(9,301.25)	53,891.25	23,788.11
Lease Purchase Pymts- Energy Savings Impr Prog	364,749.00	-	364,749.00	364,748.50
Other Purchased Property Services	211,786.00	-	211,786.00	208,553.69
Insurance	160,520.00	(42,346.00)	118,174.00	107,523.67
Travel	-	2,500.00	2,500.00	1,435.00
Miscellaneous Purchased Services	-	42,000.00	42,000.00	10,346.20
General Supplies	100,845.61	(10,795.18)	90,050.43	84,857.39
Energy (Natural Gas)	234,754.83	-	234,754.83	145,061.15
Energy (Electricity)	549,931.34	-	549,931.34	494,353.75
Other Objects	8,500.00	1,931.60	10,431.60	10,431.00
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>2,502,173.28</b>	<b>(8,493.83)</b>	<b>2,493,679.45</b>	<b>2,243,473.28</b>

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Care and Upkeep of Grounds:					
Cleaning, Repair & Maintenance Services	11-000-263-420	13,795.00	(3,817.77)	9,977.23	8,593.20
General Supplies	11-000-263-610	45,500.00	(8,324.60)	37,175.40	35,452.13
					1,384.03
					1,723.27
Total Undistributed Expenditures -		59,295.00	(12,142.37)	47,152.63	44,045.33
Care and Upkeep of Grounds					3,107.30
Security:					
Cleaning, Repair, and Maintenance Services	11-000-266-420	159,000.00	59,151.37	218,151.37	213,177.68
General Supplies	11-000-266-610	10,000.00	2,001.50	12,001.50	11,991.50
					10.00
Total Security		169,000.00	61,152.87	230,152.87	225,169.18
4,983.69					
Undistributed Expenditures -					
Student Transportation Services:					
Sale for Pupil Trans (Bet Home & Sch)- Sp Ed	11-000-270-161	26,138.00	9,519.28	35,657.28	35,559.74
Other Purchased Prof. and Technical Serv.	11-000-270-390	9,400.00	625.03	10,025.03	10,025.03
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	22,500.00	(2,295.00)	20,205.00	10,483.72
Contract Services (Between Home & School) - Vendors	11-000-270-511	1,276,586.00	(171,318.24)	1,105,267.76	1,091,548.87
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	304,264.00	(150,234.46)	154,029.54	129,036.13
Contract Services (Between Home & School) - Joint Agreement	11-000-270-513	-	26,541.00	26,541.00	25,934.85
Contract Services (Special Education) - Vendors	11-000-270-514	189,924.00	72,807.95	262,731.95	261,156.08
Contract Serv.(Sp Ed Stds)-Joint Agrmnts	11-000-270-515	38,775.00	(19,425.00)	19,350.00	14,250.21
Contract Serv.(Spl. Ed. Students)-ESCs & CTSA	11-000-270-517	140,001.00	82,535.26	222,536.26	193,796.64
Contract Services (Special Education) - ESCs & CTSA	11-000-270-518	357,171.00	(35,462.81)	321,708.19	316,319.42
Travel	11-000-270-580	-	3,545.56	3,545.56	3,544.56
General Supplies	11-000-270-610	500.00	(500.00)	-	-
Miscellaneous Expenditures	11-000-270-800	1,000.00	(1,000.00)	-	-
Total Undistributed Expenditures -		2,366,259.00	(184,661.43)	2,181,597.57	2,091,655.25
Student Transportation Services					89,942.32

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Unallocated Benefits:					
Social Security Contributions	11-000-291-220	460,000.00	110,935.00	570,935.00	61,724.96
Other Retirement Contributions - PERS	11-000-291-241	490,433.00	(5,834.09)	484,598.91	312.49
Unemployment Compensation	11-000-291-250	-	43,227.00	43,227.00	0.27
Workmen's Compensation	11-000-291-260	287,500.00	2,454.32	289,954.32	47,107.72
Health Benefits	11-000-291-270	5,431,862.00	(443,927.08)	4,987,934.92	105,263.29
Tuition Reimbursement	11-000-291-280	125,000.00	-	125,000.00	5,757.54
Other Employee Benefits	11-000-291-290	291,945.00	(23,376.96)	268,568.04	164,938.74
Unused Sick Payment to Staff	11-100-100-299	101,891.00	(4,085.00)	97,806.00	465.00
<b>Total Unallocated Benefits</b>		<b>7,188,631.00</b>	<b>(320,606.81)</b>	<b>6,868,024.19</b>	<b>385,570.01</b>
Nonbudgeted:					
TPAF Pension (on-behalf)		-	-	-	(2,745,836.00)
TPAF Social Security (reimbursed)		-	-	-	(843,849.62)
TPAF Post Retirements		-	-	-	(1,018,655.00)
TPAF Long-Term Disability Insurance (on behalf)		-	-	-	(1,010.00)
<b>Total Undistributed Expenditures</b>		<b>19,809,607.11</b>	<b>(223,731.07)</b>	<b>19,585,876.04</b>	<b>(3,033,064.93)</b>
<b>Total Expenditures - Current Expense</b>		<b>33,075,794.52</b>	<b>(107,625.00)</b>	<b>32,968,169.52</b>	<b>(2,334,012.14)</b>
Capital Outlay:					
Interest Deposited into Capital Reserve	10-604	500.00	(500.00)	-	-
Equipment:					
Undistributed Expenditures:					
Undist. Expend.-Support Serv. - Inst. Staff	12-000-220-730	-	21,760.00	21,760.00	-
Undistributed Expenditures - General Admin.	12-000-230-730	-	79,000.00	79,000.00	79,000.00
<b>Total Equipment</b>		<b>500.00</b>	<b>100,760.00</b>	<b>100,760.00</b>	<b>79,000.00</b>
Facilities Acquisition & Construction Services:					
Other Objects	12-000-400-800	762.76	6,865.00	7,627.76	686.50
Assessment for Debt Service on SDA Funding	12-000-400-896	6,865.00	-	6,865.00	-
<b>Total Facilities Acquisition &amp; Construction Services</b>		<b>7,627.76</b>	<b>6,865.00</b>	<b>14,492.76</b>	<b>686.50</b>
Assets Acquired Under Capital Leases (Non-Budgeted):					
Capital Leases (Non-Budgeted)		-	-	-	(391,000.00)
<b>Total Assets Acquired Under Capital Leases (Non-Budgeted)</b>		<b>-</b>	<b>-</b>	<b>391,000.00</b>	<b>(391,000.00)</b>
<b>Total Capital Outlay</b>		<b>8,127.76</b>	<b>107,625.00</b>	<b>115,252.76</b>	<b>(311,313.50)</b>



**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Schools				
Adult Education-Local-Instruction:				
Purchased Prof. & Tech Services	10,000.00	-	10,000.00	10,000.00
Supplies and Materials	10,000.00	-	10,000.00	2,030.00
Total Local Instruction	20,000.00	-	20,000.00	12,030.00
Total Special Schools	20,000.00	-	20,000.00	12,030.00
Transfer of Funds to Charter Schools	39,409.00	-	39,409.00	-
Total Expenditures	33,143,331.28	(0.00)	33,142,831.28	(2,633,295.64)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)	(1,566,701.28)	0.00	(1,566,201.28)	2,337,144.35
Other Financing Sources/(Uses):				
Transfers In/(Out):				
Transfer from Other Funds	90,000.00	-	90,000.00	(90,000.00)
Cancellation of Prior Year Accounts Payable	-	-	-	52,684.25
Capital Leases (Non-Budgeted)	-	-	150,000.00	241,000.00
Total Other Financing Sources/(Uses)	90,000.00	-	240,000.00	203,684.25

**PINELANDS REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(1,476,701.28)	0.00	(1,326,201.28)	2,540,828.60
Fund Balances, July 1	3,219,927.00	-	3,219,927.00	-
Fund Balances, June 30	\$ 1,743,225.72	\$ 0.00	\$ 1,893,725.72	\$ 2,540,828.60

**RECAPITULATION OF FUND BALANCE**

Restricted Fund Balance:	
Capital Reserve	\$ 717,397.82
Maintenance Reserve	500,000.00
Excess Surplus	249,403.78
Excess Surplus Designated for Subsequent Year's Expenditures	403,645.00
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	64,439.00
Year-End Encumbrances	1,529,253.19
Unassigned Fund Balance	970,415.53
Subtotal	4,434,554.32
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(1,082,639.00)
Fund Balance per Governmental Funds (GAAP)	\$ 3,351,915.32

PINELANDS REGIONAL SCHOOL DISTRICT  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL (OVER/ UNDER)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources	\$ -	\$ 25,398.57	\$ 25,398.57	\$ 1,916.62
State Sources	493,945.00	-	493,945.00	493,941.77
Federal Sources	875,736.00	468,420.10	1,344,156.10	977,606.35
Total Revenues	1,369,681.00	493,818.67	1,863,499.67	1,473,464.74
Expenditures:				
Instruction:				
Salaries of Teachers	484,844.00	(142,016.00)	342,828.00	342,828.00
Purchased Professional - Educational Services	-	57,840.00	57,840.00	57,840.00
Other Purchased Services (400-500 Series)	365,791.00	28,017.00	393,808.00	388,183.50
General Supplies	25,101.00	236,200.67	261,301.67	28,249.45
Total Instruction	875,736.00	180,041.67	1,055,777.67	817,100.95
Support Services:				
Salaries of Other Professional Staff	272,372.00	-	272,372.00	272,372.00
Personal Services - Employee Benefits	192,873.00	91,589.00	284,462.00	284,462.00
Purchased Educational Services	773.00	95,683.00	96,456.00	19,528.00
Other Purchased Services (400-500 Series)	3,643.82	21,099.00	24,742.82	7,207.82
Supplies and Materials	13,283.18	105,406.00	118,689.18	61,793.97
Other Objects	11,000.00	-	11,000.00	11,000.00
Total Support Services	493,945.00	313,777.00	807,722.00	656,363.79
Total Expenditures	1,369,681.00	493,818.67	1,863,499.67	1,473,464.74
Total Outflows	1,369,681.00	493,818.67	1,863,499.67	1,473,464.74
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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**PINELANDS REGIONAL SCHOOL DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2020**

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

	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 36,547,069.99	\$ 1,473,464.74
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(105,786.78)
Prior Year	-	17,665.47
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(1,082,639.00)	-
Prior Year	1,114,885.00	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 36,579,315.99	\$ 1,385,343.43
<b>Uses/outflows of resources:</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 35,776,126.92	\$ 1,473,464.74
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	(88,121.31)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 35,776,126.92	\$ 1,385,343.43

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.04839%	0.04943%	0.05144%	0.05354%	0.05206%	0.05029%	0.05000%
School District's proportionate share of the net pension liability	\$ 8,718,826	\$ 9,732,168	\$ 11,975,247	\$ 15,856,522	\$ 11,686,130	\$ 9,414,743	\$ 9,555,948
School District's covered payroll	\$ 3,325,787	\$ 3,515,756	\$ 3,508,767	\$ 3,532,174	\$ 3,530,304	\$ 3,530,304	Unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	262%	277%	341%	449%	331%	267%	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

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

	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 502,099	\$ 470,678	\$ 491,651	\$ 476,570	\$ 475,627	\$ 447,565	\$ 414,543
Contributions in relation to the contractually required contribution	(502,099)	(470,678)	(491,651)	(476,570)	(475,627)	(447,565)	(414,543)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 3,352,882	\$ 3,325,787	\$ 3,515,756	\$ 3,508,767	\$ 3,532,174	\$ 3,524,156	\$ 3,530,304
Contributions as a percentage of covered payroll	14.98%	14.15%	13.98%	13.58%	13.47%	12.70%	11.74%

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

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

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 76,254,910	\$ 83,382,447	\$ 88,019,350	\$ 102,651,303	\$ 84,609,661	\$ 71,489,447	\$ 72,487,981
	\$ 76,254,910	\$ 83,382,447	\$ 88,019,350	\$ 102,651,303	\$ 84,609,661	\$ 71,489,447	\$ 72,487,981
School District's covered payroll	\$ 12,432,795	\$ 13,060,460	\$ 13,156,808	\$ 13,415,357	\$ 13,410,233	\$ 13,384,631	Unknown
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

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

	2020	2019	2018
<b>Total OPEB Liability</b>			
Service Cost	\$ 2,486,216	\$ 2,832,824	\$ 3,405,019
Interest Cost	2,621,773	2,854,562	2,463,638
Difference between Epected and Actual Experiences	(11,784,260)	(8,017,880)	-
Changes of Assumptions	873,377	(7,588,058)	(10,284,149)
Contributions: Member	53,301	61,109	66,312
Gross Benefit Payments	(1,798,117)	(1,768,132)	(1,800,845)
Net Change in Total OPEB Liability	(7,547,710)	(11,625,575)	(6,150,025)
Total OPEB Liability (Beginning)	66,123,981	77,749,556	83,899,581
Total OPEB Liability (Ending)	<u>\$ 58,576,271</u>	<u>\$ 66,123,981</u>	<u>\$ 77,749,556</u>
State's Covered Employee Payroll***	\$ 15,785,677	\$ 16,386,247	\$ 16,665,575
Net OPEB Liability as a Percentage of Payroll	371%	404%	467%

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

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

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

**Teachers Pension and Annuity Fund (TPAF)**

**Changes in Benefit Terms** - None.

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

**Public Employees' Retirement System (PERS)**

**Changes in Benefit Terms** - None.

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

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 3.87% as of June 30, 2018, to 3.50% as of June 30, 2019.

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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**PINELANDS REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2020**

	Title I	Title IIA	Title IV	I.D.E.A. Part B	C.A.R.E.S. Act
<b>Revenues:</b>					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-
Federal Sources	462,596.79	49,914.00	25,925.00	418,282.48	20,888.08
<b>Total Revenues</b>	<b>\$ 462,596.79</b>	<b>\$ 49,914.00</b>	<b>\$ 25,925.00</b>	<b>\$ 418,282.48</b>	<b>\$ 20,888.08</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ 292,914.00	\$ 49,914.00	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	57,840.00	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	388,183.50	-
General Supplies	4,097.08	-	-	16,738.10	5,497.65
<b>Total Instruction</b>	<b>354,851.08</b>	<b>49,914.00</b>	<b>-</b>	<b>404,921.60</b>	<b>5,497.65</b>
<b>Support Services:</b>					
Salaries of Other Professional Staff	-	-	-	-	-
Personal Services - Employee Benefits	91,589.00	-	-	-	-
Purchased Educational Services	3,800.00	-	-	-	14,955.00
Other Purchased Services (400-500 Series)	3,564.00	-	-	-	-
Supplies and Materials	8,792.71	-	25,925.00	13,360.88	435.43
Other Objects	-	-	-	-	-
<b>Total Support Services</b>	<b>107,745.71</b>	<b>-</b>	<b>25,925.00</b>	<b>13,360.88</b>	<b>15,390.43</b>
<b>Total Expenditures</b>	<b>\$ 462,596.79</b>	<b>\$ 49,914.00</b>	<b>\$ 25,925.00</b>	<b>\$ 418,282.48</b>	<b>\$ 20,888.08</b>

**PINELANDS REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2020**

	SBYS	Wildcat Shack	Athletics	Other Local Grants	Totals
<b>Revenues:</b>					
Local Sources	\$ -	\$ 220.32	\$ 500.00	\$ 1,196.30	\$ 1,916.62
State Sources	493,941.77	-	-	-	493,941.77
Federal Sources	-	-	-	-	977,606.35
<b>Total Revenues</b>	<b>\$ 493,941.77</b>	<b>\$ 220.32</b>	<b>\$ 500.00</b>	<b>\$ 1,196.30</b>	<b>\$ 1,473,464.74</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 342,828.00
Purchased Professional - Educational Services	-	-	-	-	57,840.00
Other Purchased Services (400-500 Series)	-	-	-	-	388,183.50
General Supplies	-	220.32	500.00	1,196.30	28,249.45
<b>Total Instruction</b>	<b>-</b>	<b>220.32</b>	<b>500.00</b>	<b>1,196.30</b>	<b>817,100.95</b>
<b>Support Services:</b>					
Salaries of Other Professional Staff	272,372.00	-	-	-	272,372.00
Personal Services - Employee Benefits	192,873.00	-	-	-	284,462.00
Purchased Educational Services	773.00	-	-	-	19,528.00
Other Purchased Services (400-500 Series)	3,643.82	-	-	-	7,207.82
Supplies and Materials	13,279.95	-	-	-	61,793.97
Other Objects	11,000.00	-	-	-	11,000.00
<b>Total Support Services</b>	<b>493,941.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>656,363.79</b>
<b>Total Expenditures</b>	<b>\$ 493,941.77</b>	<b>\$ 220.32</b>	<b>\$ 500.00</b>	<b>\$ 1,196.30</b>	<b>\$ 1,473,464.74</b>



**F. Capital Projects Fund**

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EXHIBIT F-1

PINELANDS REGIONAL SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
 YEAR ENDED JUNE 30, 2020

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2020</u>
			<u>Prior Years</u>	<u>Current Year</u>	
High School & Middle School Construction and Rehabilitation	1/24/2017	\$ 53,644,099.14	\$ 40,333,925.98	\$ 12,608,595.88	\$ 701,577.28
Total		\$ 53,644,099.14	\$ 40,333,925.98	\$ 12,608,595.88	\$ 701,577.28

Reconciliation of Fund Balance

Unexpended Project Balances	\$ 701,577.28
Total Fund Balance (GAAP Basis)	\$ 701,577.28

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

Revenues and Other Financing Sources:	
Interest Earnings	\$ -
Total Revenues and Other Financing Sources	<u>-</u>
Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	126,511.16
Construction Services	12,482,084.72
Transfer to General Fund	-
Total Expenditures and Other Financing Uses	<u>12,608,595.88</u>
Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Uses	<u>(12,608,595.88)</u>
Fund Balance, July 1	<u>13,310,173.16</u>
Fund Balance, June 30	<u>\$ 701,577.28</u>

**PINELANDS REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HIGH SCHOOL & MIDDLE SCHOOL CONSTRUCTION AND REHABILITATION  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 53,644,099.14	\$ -	\$ 53,644,099.14	\$ 53,644,099.14
<b>Total Revenues and Other Financing Sources</b>	<b>53,644,099.14</b>	<b>-</b>	<b>53,644,099.14</b>	<b>53,644,099.14</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	3,836,666.90	126,511.16	3,963,178.06	3,963,178.06
Construction Services	36,497,259.08	12,482,084.72	48,979,343.80	49,680,921.08
<b>Total Expenditures and Other Financing Uses</b>	<b>40,333,925.98</b>	<b>12,608,595.88</b>	<b>52,942,521.86</b>	<b>53,644,099.14</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 13,310,173.16	\$ (12,608,595.88)	\$ 701,577.28	\$ -

Additional Project Information:

<u>Name of Project:</u>	
<u>High School &amp; Middle School Construction and Rehabilitation</u>	
<u>Project Number</u>	<u>Grant Date</u>
4105-050-16-1000	Bond Authorization Date
4105-060-16-1000	Bonds Authorized
	Bonds Issued
	Original Authorized Cost
	Additional Authorized Cost
	Revised Authorized Cost
	Percentage Increase over Original Authorized Cost
	Percentage Completion
	Original Target Completion Date
	Revised Target Completion Date

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## **H. Fiduciary Fund**

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**PINELANDS REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2020**

	TRUST		AGENCY			
	PRIVATE- PURPOSE					
	UNEMPLOYMENT COMPENSATION	SCHOLARSHIP FUND	TRUST TOTALS	PAYROLL FUND	STUDENT ACTIVITY FUND	AGENCY TOTALS
<b>ASSETS</b>						
Cash & Cash Equivalents	\$ 7,248.41	\$ 93,622.80	\$ 100,871.21	\$ 183,336.34	\$ 220,993.33	\$ 404,329.67
Total Assets	7,248.41	93,622.80	100,871.21	183,336.34	220,993.33	404,329.67
<b>LIABILITIES</b>						
Interfund Payable	-	-	-	6,909.82	36,358.02	43,267.84
Payable for Student Related Activities	-	-	-	-	184,635.31	184,635.31
Payroll Deductions & Withholdings	-	-	-	176,426.52	-	176,426.52
Total Liabilities	-	-	-	\$ 183,336.34	\$ 220,993.33	\$ 404,329.67
<b>NET POSITION</b>						
Restricted - Held in Trust for Unemployment Claims & Other Purposes	7,248.41	-	7,248.41			
Restricted - Scholarships	-	93,622.80	93,622.80			
Total Net Position	\$ 7,248.41	\$ 93,622.80	\$ 100,871.21			

**PINELANDS REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2020**

	<b>UNEMPLOYMENT COMPENSATION TRUST</b>	<b>PRIVATE- PURPOSE SCHOLARSHIP FUND</b>	<b>TOTAL TRUST</b>
<b>ADDITIONS</b>			
Contributions:			
Other	\$ -	\$ 77,568.79	\$ 77,568.79
Total Contributions	-	77,568.79	77,568.79
Investment Earnings:			
Interest	32.46	271.69	304.15
Net Investment Earnings	32.46	271.69	304.15
Total Additions	32.46	77,840.48	77,872.94
<b>DEDUCTIONS</b>			
Unemployment Claims	582.00	-	582.00
Scholarships Awarded	-	77,055.00	77,055.00
Total Deductions	582.00	77,055.00	77,637.00
Change in Net Position	(549.54)	785.48	235.94
Net Position - Beginning	7,797.95	92,837.32	100,635.27
Net Position - Ending	\$ 7,248.41	\$ 93,622.80	\$ 100,871.21

**PINELANDS REGIONAL SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2020**

	<b>BALANCE JUNE 30, 2019</b>	<b>CASH RECEIPTS</b>	<b>CASH DISBURSEMENTS</b>	<b>BALANCE JUNE 30, 2020</b>
<b>ASSETS</b>				
Cash & Cash Equivalents:				
Middle School	\$ 69,948.60	\$ 31,768.06	\$ 31,337.71	\$ 70,378.95
High School	160,804.18	497,417.41	507,607.21	150,614.38
Total Assets	<u>\$ 230,752.78</u>	<u>\$ 529,185.47</u>	<u>\$ 538,944.92</u>	<u>\$ 220,993.33</u>
<b>LIABILITIES</b>				
Payable for Student Related Activities	\$ 230,752.78	\$ 538,944.92	\$ 492,827.45	\$ 184,635.31
Interfunds Payable	-	-	36,358.02	36,358.02
Total Liabilities	<u>\$ 230,752.78</u>	<u>\$ 538,944.92</u>	<u>\$ 529,185.47</u>	<u>\$ 220,993.33</u>

**PINELANDS REGIONAL SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2020**

	<b>BALANCE JUNE 30, 2019</b>	<b>CASH RECEIPTS</b>	<b>CASH DISBURSEMENTS</b>	<b>BALANCE JUNE 30, 2020</b>
<b>ASSETS</b>				
Cash & Cash Equivalents	\$ 216,540.79	\$ 20,155,925.27	\$ 20,189,129.72	\$ 183,336.34
Total Assets	<u>\$ 216,540.79</u>	<u>\$ 20,155,925.27</u>	<u>\$ 20,189,129.72</u>	<u>\$ 183,336.34</u>
<b>LIABILITIES</b>				
Payroll Deductions & Withholdings	\$ 209,630.97	\$ 20,189,129.72	\$ 20,155,925.27	\$ 176,426.52
Interfunds Payable	6,909.82	-	-	6,909.82
Total Liabilities	<u>\$ 216,540.79</u>	<u>\$ 20,189,129.72</u>	<u>\$ 20,155,925.27</u>	<u>\$ 183,336.34</u>

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## **I. Long-Term Debt**

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PINELANDS REGIONAL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2020

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE	BALANCE	
			DATE	AMOUNT		JUNE 30, 2019	JUNE 30, 2020	
Refunding School Bonds	3/11/2015	\$ 5,275,000.00	02/15/21	425,000.00	3.000%	\$ 3,730,000.00	\$ 3,320,000.00	
			02/15/22	440,000.00	3.000%			
			02/15/23	450,000.00	4.000%			
			02/15/24	470,000.00	4.000%			
			02/15/25	490,000.00	4.000%			
			02/15/26	515,000.00	4.000%			
			02/15/27	530,000.00	4.000%			
General Obligation Bonds	7/20/2017	53,645,000.00	08/01/21	1,480,000.00	3.000%	53,645,000.00	52,205,000.00	
			08/01/22	1,515,000.00	3.000%			
			08/01/23	1,550,000.00	3.000%			
			08/01/24	1,550,000.00	3.000%			
			08/01/25	1,550,000.00	3.000%			
			08/01/26	1,550,000.00	3.000%			
			08/01/27	2,100,000.00	3.000%			
			08/01/28	2,165,000.00	3.000%			
			08/01/29	2,235,000.00	3.000%			
			08/01/30	2,305,000.00	3.000%			
			08/01/31	2,390,000.00	3.000%			
			08/01/32	2,470,000.00	3.000%			
			08/01/33	2,555,000.00	3.000%			
			08/01/34	2,645,000.00	3.000%			
			08/01/35	2,745,000.00	3.125%			
			08/01/36	2,850,000.00	3.125%			
		08/01/37	2,850,000.00	3.250%				
		08/01/38	2,850,000.00	3.250%				
		08/01/39	2,850,000.00	3.250%				
		08/01/40	2,850,000.00	3.250%				
		08/01/41	2,850,000.00	3.250%				
		08/01/42	2,850,000.00	3.500%				
Total							\$ 57,375,000.00	\$ 55,525,000.00

PINELANDS REGIONAL SCHOOL DISTRICT  
 LONG-TERM DEBT  
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
 YEAR ENDED JUNE 30, 2020

PURPOSE	AMOUNT OF ORIGINAL ISSUE	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2019	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2020
Equipment	\$ 400,000	1.94%	\$ 85,000	\$ -	\$ 85,000	\$ -
ESIP Projects	5,425,000	3.46%	4,525,000	-	210,000	4,315,000
Equipment	400,000	1.79%	170,000	-	85,000	85,000
Equipment	473,000	1.937%	291,000	-	94,000	197,000
Equipment	300,000	3.17%	-	241,000	57,000	184,000
Telecommunications	150,000	1.99%	-	150,000	-	150,000
Total	\$ 5,071,000		\$ 391,000	\$ 531,000	\$ 4,931,000	



**PINELANDS REGIONAL SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 2,363,353.00	\$ -	\$ 2,363,353.00	\$ -
State Sources:				
Debt Service Aid Type II	1,267,715.00	-	1,267,715.00	-
Total Revenues	3,631,068.00	-	3,631,068.00	-
Expenditures:				
Regular Debt Service:				
Interest	1,781,069.00	-	1,781,069.00	0.24
Redemption of Principal	1,850,000.00	-	1,850,000.00	-
Total Regular Debt Service	3,631,069.00	-	3,631,069.00	0.24
Total Expenditures	3,631,069.00	-	3,631,068.76	0.24
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1.00)	-	(1.00)	(0.76)
Fund Balance, July 1,	0.97	-	0.97	-
Fund Balance, June 30,	\$ (0.03)	\$ -	\$ (0.03)	\$ 0.21

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**STATISTICAL SECTION (Unaudited)**

Third Section

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**Financial Trends Information**

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

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 15,634,015.21	\$ 14,814,619.08	\$ 15,854,931.43	\$ 11,192,009.00	\$ 13,339,289.00	\$ 13,171,933.00	\$ 12,688,559.00	\$ 12,954,946.00	\$ 12,889,100.00	\$ 13,074,181.00
Restricted	2,572,024.09	1,312,989.30	1,234,202.39	4,069,462.39	5,705,565.00	423,797.00	328,097.00	1,177,593.00	1,668,074.00	1,148,462.00
Unrestricted (Deficit)	(13,373,719.61)	(13,435,608.81)	(15,637,291.36)	(12,913,918.00)	(16,548,596.00)	(11,117,601.00)	(918,492.00)	(1,062,036.00)	(717,182.00)	(1,200,145.00)
<b>Total Governmental Activities</b>	<b>\$ 4,832,319.69</b>	<b>\$ 2,691,999.57</b>	<b>\$ 1,451,842.46</b>	<b>\$ 2,347,553.00</b>	<b>\$ 2,496,258.00</b>	<b>\$ 2,478,129.00</b>	<b>\$ 12,098,164.00</b>	<b>\$ 13,070,503.00</b>	<b>\$ 13,839,992.00</b>	<b>\$ 13,022,498.00</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	\$ 43,564.46	\$ 45,983.46	\$ 29,052.00	\$ 37,401.00	\$ 44,441.00	\$ 50,174.00	\$ 71,077.00	\$ 103,252.00	\$ 124,126.00	\$ 155,556.00
Unrestricted (Deficit)	427,973.02	403,046.59	394,619.20	496,945.00	536,837.00	483,898.00	429,119.00	347,831.00	347,831.00	292,719.00
<b>Total Business-Type Activities</b>	<b>\$ 471,537.48</b>	<b>\$ 449,030.05</b>	<b>\$ 423,671.20</b>	<b>\$ 534,346.00</b>	<b>\$ 581,278.00</b>	<b>\$ 534,072.00</b>	<b>\$ 500,196.00</b>	<b>\$ 451,083.00</b>	<b>\$ 471,957.00</b>	<b>\$ 448,275.00</b>
<b>Government-Wide:</b>										
Net Investment in Capital Assets	\$ 15,677,579.67	\$ 14,860,602.54	\$ 15,883,983.43	\$ 11,229,410.00	\$ 13,383,730.00	\$ 13,222,107.00	\$ 12,759,636.00	\$ 13,058,198.00	\$ 13,013,226.00	\$ 13,013,226.00
Restricted	2,572,024.09	1,312,989.30	1,234,202.39	4,069,462.39	5,705,565.00	423,797.00	328,097.00	1,177,593.00	1,668,074.00	1,668,074.00
Unrestricted (Deficit)	(12,945,746.59)	(13,032,562.22)	(15,242,672.16)	(12,416,973.00)	(16,011,759.00)	(10,633,703.00)	(489,373.00)	(668,938.00)	(369,351.00)	(369,351.00)
<b>Total Government-Wide Net Position</b>	<b>\$ 5,303,857.17</b>	<b>\$ 3,141,029.62</b>	<b>\$ 1,875,513.66</b>	<b>\$ 2,881,899.00</b>	<b>\$ 3,077,536.00</b>	<b>\$ 3,012,201.00</b>	<b>\$ 12,598,360.00</b>	<b>\$ 13,566,853.00</b>	<b>\$ 14,311,949.00</b>	<b>\$ 14,311,949.00</b>

Source: CAFR Schedule A-1

PINELANDS REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS  
Unaudited

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 16,475,185.62	\$ 18,043,388.61	\$ 19,436,781.40	\$ 8,225,039.00	\$ 6,066,077.31	\$ 6,195,151.57	\$ 8,363,363.83	\$ 8,342,598.37	\$ 8,761,721.54	\$ 8,475,714.85
Special Education	6,003,114.82	6,156,572.86	6,141,380.80	3,925,036.00	1,714,360.00	1,563,495.95	2,230,521.92	2,154,674.55	2,172,129.93	1,992,814.83
Other Special Education	-	-	-	1,126,656.00	654,988.00	628,941.60	899,985.05	949,114.04	832,095.37	1,092,680.79
Other Instruction	1,866,977.07	1,825,765.40	2,045,464.64	-	112,221.00	95,262.19	672,903.90	622,738.36	638,205.67	106,104.08
Support Services:										
Tuition	824,844.88	721,774.16	604,974.60	693,074.00	636,574.00	722,222.13	569,661.06	311,828.90	434,769.16	517,704.40
Student & Instruction Related Services	5,458,437.72	5,539,227.18	6,126,281.97	3,930,411.00	2,439,847.88	2,217,382.42	2,082,314.52	1,916,662.93	2,197,183.73	2,708,283.10
General Administrative Services	871,496.68	673,820.04	781,852.54	651,163.00	354,893.00	370,118.20	404,282.39	528,062.48	502,256.85	529,440.29
School Administrative Services	1,628,908.85	1,718,968.24	1,879,409.54	1,249,229.00	217,268.00	243,783.75	282,237.50	295,499.40	335,627.05	401,112.37
Central Services	538,085.23	443,251.91	542,575.08	355,936.00	-	-	-	-	-	-
Plant Operations & Maintenance	3,128,281.64	3,492,114.45	4,460,312.51	3,081,300.00	3,872.00	6,250.00	128,688.91	119,921.96	104,073.95	157,611.83
Pupil Transportation	2,808,830.50	3,065,169.73	3,524,092.68	2,010,851.00	629,442.00	667,931.49	892,574.75	922,626.05	901,515.78	851,712.28
Special Schools	10,702.71	11,909.72	8,946.92	6,884.00	1,805,738.00	1,663,393.11	1,609,605.11	1,850,341.64	1,804,631.30	1,811,610.54
Charter Schools	39,409.00	39,018.00	46,919.00	23,197.00	761,055.00	751,358.84	832,909.90	863,075.79	921,489.76	892,100.37
Unallocated Employee Benefits	-	-	-	10,817,508.00	4,338,163.46	4,641,967.84	-	-	-	-
Interest on Long-Term Debt	1,761,376.82	2,075,917.22	1,265,015.00	241,513.00	1,123,855.00	1,163,042.50	1,199,980.00	1,233,323.75	1,269,542.39	1,302,636.25
Unallocated Bond Costs	-	-	-	-	1,019,095.83	973,149.29	752,631.04	744,958.00	676,297.50	297,920.69
Unallocated Depreciation	-	-	-	1,125,567.00	-	-	-	-	-	-
Total Governmental Activities	41,415,651.55	43,806,897.54	46,864,006.68	37,463,364.00	21,877,450.48	21,903,450.88	20,921,659.88	20,857,626.22	21,551,539.98	21,137,446.67
Expenses										
Business-Type Activities:										
Food Service	80,506.42	883,387.01	948,183.15	957,025.00	429,090.63	392,162.48	394,241.38	363,908.60	363,512.95	340,789.62
Other	40,965.08	36,197.67	49,710.00	62,997.00	-	-	-	-	-	-
Total Business-Type Activities	121,471.50	919,584.68	997,893.15	1,020,022.00	429,090.63	392,162.48	394,241.38	363,908.60	363,512.95	340,789.62
Expense										
Total District Expenses	\$ 41,537,123.05	\$ 44,726,482.22	\$ 47,861,899.83	\$ 38,483,386.00	\$ 22,306,541.11	\$ 22,295,613.36	\$ 21,315,901.26	\$ 21,221,534.82	\$ 21,915,052.93	\$ 21,478,236.29
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Operating Grants & Contributions	\$ -	\$ -	\$ -	\$ 1,471,991.00	\$ 12,945.00	\$ 75,416.03	\$ 70,803.41	\$ -	\$ -	\$ -
Capital Grants & Contributions	\$ 7,902,254.05	\$ 10,317,932.09	\$ 13,322,979.66	\$ -	\$ 1,950,152.19	\$ 1,871,807.05	\$ 271,669.22	\$ 271,260.81	\$ 215,162.00	\$ 266,931.00
Total Governmental Activities	7,902,254.05	10,317,932.09	13,322,979.66	1,471,991.00	1,963,097.19	1,947,223.08	342,472.63	271,260.81	215,162.00	266,931.00
Program Revenues										



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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>FISCAL YEAR ENDING JUNE 30,</b>										
Business-Type Activities:										
Charges for Services:										
Food Service	2,439.36	375,711.35	332,965.34	374,502.00	401,846.00	449,131.00	505,227.00	501,180.00	522,361.00	525,216.00
Other	86,958.00	114,729.71	126,886.00	121,400.00	115,429.00	115,429.00	111,730.00	117,916.00	102,853.00	100,884.00
Operating Grants & Contributions	54,581.57	454,502.47	427,367.01	477,188.00	526,132.00	488,938.00	490,762.00	471,564.00	380,437.00	378,230.00
Total Business Type Activities	143,978.93	944,943.53	887,218.35	973,090.00	1,052,527.00	1,053,498.00	1,107,719.00	1,090,660.00	1,005,651.00	1,004,330.00
Program Revenues	\$ 8,046,232.98	\$ 11,262,875.62	\$ 14,210,198.01	\$ 2,445,081.00	\$ 8,396,442.00	\$ 4,911,814.00	\$ 5,490,161.00	\$ 2,366,022.00	\$ 2,625,475.00	\$ 2,710,549.00
Total Government-Wide Net Expense	\$ (33,513,397.50)	\$ (33,488,965.45)	\$ (33,541,027.02)	\$ (31,817,741.00)	\$ (31,806,332.00)	\$ (32,094,509.00)	\$ (31,668,483.00)	\$ (32,517,750.00)	\$ (32,585,326.00)	\$ (34,157,272.00)
Net (Expense)/Revenue:	22,507.43	25,358.85	(110,674.80)	46,025.00	33,123.00	2,939.00	23,679.00	22,561.00	10,727.00	21,988.00
Governmental Activities	\$ (33,490,890.07)	\$ (33,463,606.60)	\$ (33,651,701.82)	\$ (31,771,716.00)	\$ (31,773,209.00)	\$ (32,091,570.00)	\$ (31,644,804.00)	\$ (32,495,189.00)	\$ (32,574,599.00)	\$ (34,135,284.00)
Business-Type Activities										
Total District-Wide Net Expense	\$ (33,490,890.07)	\$ (33,463,606.60)	\$ (33,651,701.82)	\$ (31,771,716.00)	\$ (31,773,209.00)	\$ (32,091,570.00)	\$ (31,644,804.00)	\$ (32,495,189.00)	\$ (32,574,599.00)	\$ (34,135,284.00)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 20,198,929.00	\$ 19,466,804.00	\$ 19,273,034.00	\$ 18,987,748.00	\$ 18,704,758.00	\$ 18,455,152.00	\$ 18,009,085.00	\$ 17,738,517.00	\$ 17,390,703.00	\$ 17,049,709.00
Taxes Levied for Debt Service	2,363,353.00	1,968,085.00	756,582.00	761,473.00	754,050.00	783,302.00	773,079.00	771,759.00	769,465.00	755,791.00
Unrestricted Grants & Contributions	13,013,308.13	12,541,587.71	12,171,870.68	15,332,570.68	12,361,654.00	12,388,381.00	12,387,736.00	12,340,438.00	15,128,579.00	13,936,055.00
Restricted Grants & Contributions	-	1,187.03	7,188.88	708,175.00	-	-	-	-	-	-
Interest Income	0	339,544.00	417,843.00	52,297.00	15,408.00	115,410.00	28,975.00	48,280.00	46,497.00	75,071.00
Miscellaneous Income	78,127.49	411,914.48	18,797.84	-	-	-	-	-	-	-
Proceeds from Premium on Bond Anticipation	-	-	-	405.00	-	-	-	-	-	-
Total Governmental Activities	35,653,717.62	34,729,122.22	32,645,316.40	35,842,668.00	31,835,870.00	31,742,245.00	31,198,875.00	30,898,994.00	33,335,244.00	31,816,626.00
Business-Type Activities:										
Transfers In/Out	-	-	-	-	1,181.00	753.00	907.00	714.00	1,121.00	2,196.00
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	-	-	-	-	1,181.00	753.00	907.00	714.00	1,121.00	2,196.00
Total District-Wide	\$ 35,653,717.62	\$ 34,729,122.22	\$ 32,645,316.40	\$ 35,842,668.00	\$ 31,837,051.00	\$ 31,742,998.00	\$ 31,199,782.00	\$ 30,899,708.00	\$ 33,336,365.00	\$ 31,818,822.00
Change in Net Position:										
Governmental Activities	\$ 2,140,320.12	\$ 1,240,156.77	\$ (895,710.62)	\$ 4,024,927.00	\$ 29,538.00	\$ (352,264.00)	\$ (469,608.00)	\$ (1,618,756.00)	\$ 749,918.00	\$ (2,340,646.00)
Business-Type Activities	22,507.43	25,358.85	(110,674.80)	46,025.00	34,304.00	3,692.00	24,586.00	23,275.00	11,848.00	24,184.00
Total District	\$ 2,162,827.55	\$ 1,265,515.62	\$ (1,006,385.42)	\$ 4,070,952.00	\$ 63,842.00	\$ (348,572.00)	\$ (445,022.00)	\$ (1,595,481.00)	\$ 761,766.00	\$ (2,316,462.00)

Source: CAFR Schedule A-2

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Restricted	\$ 1,870,446.60	\$ 1,312,988.33	\$ 1,234,201.50	\$ 1,467,310.00	\$ 761,541.00	\$ 423,797.00	\$ 459,796.00	\$ 870,239.00	\$ 956,110.00	\$ 701,104.00
Assigned	1,593,692.19	1,184,756.51	433,125.72	53,653.00	449,644.00	530,336.00	573,600.00	410,048.00	710,880.00	-
Unassigned	(112,223.47)	(392,702.84)	-	-	-	-	-	-	-	(43,319.00)
<b>Total General Fund</b>	<b>\$ 3,351,915.32</b>	<b>\$ 2,105,042.00</b>	<b>\$ 1,667,327.22</b>	<b>\$ 1,520,963.00</b>	<b>\$ 1,211,185.00</b>	<b>\$ 954,133.00</b>	<b>\$ 1,033,396.00</b>	<b>\$ 1,280,287.00</b>	<b>\$ 1,666,990.00</b>	<b>\$ 657,785.00</b>
All Other Governmental Funds:										
Restricted										
Debt Service Fund	\$ 0.21	\$ 0.97	\$ 0.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	701,577.28	13,310,173.16	41,354,500.48	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Special Revenue Fund	-	-	-	-	-	-	-	-	-	-
Unreserved, Reported in:										
Special Revenue Fund	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	2,602,152.00	5,100,534.00	-	-	307,354.00	711,964.00	711,964.00
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 701,577.49</b>	<b>\$ 13,310,174.13</b>	<b>\$ 41,354,501.37</b>	<b>\$ 2,602,152.00</b>	<b>\$ 5,100,534.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 307,354.00</b>	<b>\$ 711,964.00</b>	<b>\$ 711,964.00</b>

Source: CAFR Schedule B-1

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Revenues</b>										
Tax Levy	\$ 22,562,282.00	\$ 21,434,889.00	\$ 20,029,616.00	\$ 19,749,221.00	\$ 19,458,808.00	\$ 19,238,454.00	\$ 18,782,164.00	\$ 18,510,276.00	\$ 18,160,168.00	\$ 17,805,500.00
Miscellaneous	27,359.86	779,669.28	455,875.12	61,433.00	43,480.00	141,121.00	43,933.00	48,280.00	46,497.00	75,071.00
State Sources	18,051,666.39	17,539,332.46	16,613,810.00	16,426,861.00	15,641,646.00	15,228,371.00	15,228,371.00	15,818,784.00	15,187,450.00	14,437,692.00
Federal Sources	954,419.17	1,122,356.91	1,240,607.01	1,076,739.00	1,102,586.00	940,899.00	948,502.00	921,155.00	1,301,500.00	1,119,508.00
<b>Total Revenues</b>	<b>41,595,727.42</b>	<b>40,876,247.65</b>	<b>38,339,908.13</b>	<b>37,314,254.00</b>	<b>36,632,083.00</b>	<b>35,962,120.00</b>	<b>35,002,970.00</b>	<b>35,298,495.00</b>	<b>34,695,615.00</b>	<b>33,437,771.00</b>
<b>Expenditures</b>										
Instruction:										
Regular Instruction	8,984,454.67	9,379,414.07	9,365,215.59	8,321,969.00	8,257,815.00	8,514,470.00	8,447,048.00	8,548,819.00	8,404,641.00	8,057,522.00
Special Education Instruction	3,273,693.80	3,200,343.76	2,959,098.73	3,925,036.00	3,956,587.00	3,783,708.00	3,539,174.00	3,956,388.00	4,034,671.00	3,922,028.00
Other Special Instruction	1,018,123.33	949,079.47	985,565.30	1,126,656.00	1,183,719.00	1,265,287.00	1,286,428.00	1,275,408.00	1,194,713.00	1,228,053.00
Support Services:										
Tuition	824,844.88	721,774.16	604,974.60	693,074.00	957,179.00	1,057,050.00	883,706.00	1,021,406.00	764,269.00	769,011.00
Student & Instruction Related Services	3,810,625.01	4,079,000.72	4,020,117.61	3,930,411.00	4,214,897.00	4,258,028.00	4,347,149.00	3,879,545.00	3,878,948.00	4,383,171.00
General Administrative Services	648,978.50	527,357.11	538,708.71	651,163.00	567,928.00	592,261.00	567,292.00	538,248.00	544,249.00	538,275.00
Central Services	400,696.59	346,905.75	373,049.03	-	-	-	-	-	-	-
Administration Information	3,951.08	6,620.63	6,241.73	-	-	-	-	-	-	-
Technology Services	1,209,050.47	1,338,709.08	1,288,701.03	1,249,229.00	1,264,277.00	1,235,702.00	1,228,588.00	1,292,130.00	1,104,483.00	1,257,920.00
School Administrative Services	3,075,530.22	3,373,916.69	3,351,408.07	3,555,936.00	3,620,091.00	3,591,146.00	3,870,060.00	421,410.00	393,593.00	355,648.00
Business Administrative Services	2,091,655.25	2,398,918.03	2,428,155.34	2,010,851.00	3,017,317.00	3,025,264.00	3,038,114.00	2,939,525.00	3,104,415.00	3,104,415.00
Plant Operations & Maintenance	11,091,804.80	10,762,203.71	10,551,101.45	9,821,801.00	8,880,058.00	8,066,872.00	7,695,190.00	7,927,878.00	6,975,754.00	6,799,116.00
Unallocated Benefits	39,409.00	39,018.00	46,919.00	23,197.00	-	-	-	-	-	-
Transfer to Charter School	7,970.00	9,321.00	5,961.50	6,884.00	3,486.00	-	6,204.00	7,915.00	10,456.00	11,158.00
Special Schools	13,028,297.14	28,049,967.32	12,671,615.66	5,811,009.00	826,165.00	531,285.00	1,119,734.00	821,236.00	418,828.00	665,473.00
Capital Outlay	1,850,000.00	395,000.00	1,268,000.00	1,235,000.00	1,185,000.00	1,130,000.00	1,065,000.00	1,020,000.00	975,000.00	930,000.00
Debt Service:										
Principal	1,787,933.76	2,649,102.16	192,098.00	241,513.00	270,590.00	458,218.00	422,369.00	464,770.00	505,294.00	541,045.00
Interest & Other Charges	53,401,134.99	68,482,860.11	50,656,931.35	42,603,263.00	37,078,518.00	36,548,668.00	36,153,054.00	36,489,808.00	34,086,410.00	34,371,743.00
<b>Total Expenditures</b>	<b>111,361,723.32</b>	<b>127,606,612.46</b>	<b>99,100,075.92</b>	<b>92,188,604.00</b>	<b>95,354,407.00</b>	<b>106,424,000.00</b>	<b>97,527,084.00</b>	<b>97,913,313.00</b>	<b>109,205,000.00</b>	<b>105,972,000.00</b>
Other Financing Sources/(Uses):										
Transfer to Charter School	-	-	-	-	(24,158.00)	-	-	-	-	-
Capital Leases (Non-budgeted)	391,000.00	-	473,000.00	400,000.00	5,825,000.00	400,000.00	625,000.00	400,000.00	400,000.00	400,000.00
Bond Proceeds	52,684.25	-	50,944,099.14	-	-	5,711,812.00	-	-	-	-
Premium on Bond Anticipation Notes	-	-	-	405.00	-	-	-	-	-	-
Bond Anticipation Note Proceeds	-	-	-	2,700,000.00	-	-	-	-	-	-
Deposit With Fiscal Agent	-	-	-	-	-	(5,631,688.00)	-	-	-	-
<b>Total Other Financing Sources/(Uses)</b>	<b>443,684.25</b>	<b>-</b>	<b>51,417,099.14</b>	<b>3,100,405.00</b>	<b>5,800,842.00</b>	<b>480,124.00</b>	<b>625,000.00</b>	<b>400,000.00</b>	<b>400,000.00</b>	<b>400,000.00</b>
<b>Net Change in Fund Balances</b>	<b>\$ (11,361,723.32)</b>	<b>\$ (27,606,612.46)</b>	<b>\$ 39,100,075.92</b>	<b>\$ (2,188,604.00)</b>	<b>\$ 5,354,407.00</b>	<b>\$ (106,424,000.00)</b>	<b>\$ (527,084.00)</b>	<b>\$ (791,313.00)</b>	<b>\$ 1,099,205.00</b>	<b>\$ (533,972.00)</b>

Source: CAFR Schedule B-2

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

Unaudited

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	RENTALS	TUITION OTHER	MISCELLANEOUS	TOTAL
2020	\$ -	-	-	\$ 25,443.24	\$ 25,443.24
2019	-	-	-	413,101.51	413,101.51
2018	918.73	-	7,188.88	17,879.11	25,986.72
2017	3,815.00	-	-	2,436.00	6,251.00
2016	3,179.00	3,955.00	-	2,272.00	9,406.00
2015	3,835.00	6,348.00	-	6,815.00	16,998.00
2014	4,062.00	5,189.00	-	2,651.00	11,902.00
2013	5,949.00	2,844.00	-	8,442.00	17,235.00
2012	3,288.00	7,109.00	-	12,892.00	23,289.00
2011	29,097.00	-	-	12,866.00	41,963.00
Total	\$ 54,143.73	\$ 25,445.00	\$ 7,188.88	\$ 504,797.86	\$ 591,575.47

Source: District Records

**Revenue Capacity Information**

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

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2020	\$ 70,722,700	\$ 2,080,921,050	\$ 1,711,400	\$ 96,980	\$ 172,656,329	\$ 542,900	\$ 2,883,700	\$ 2,329,535,059	\$ 206,434,968	\$ 2,535,970,027	0.746	\$ 2,457,259,840
2019	80,327,900	2,070,826,250	1,711,400	78,738	171,574,129	542,900	2,883,700	2,327,945,017	203,971,868	2,531,916,885	0.721	2,403,203,769
2018	85,781,700	2,051,978,233	1,711,400	78,769	174,529,129	542,900	2,883,700	2,317,505,831	185,938,285	2,503,444,116	0.646	2,361,756,128
2017	97,071,900	2,012,228,183	1,747,800	75,986	172,922,115	542,900	2,883,700	2,287,472,584	182,119,774	2,469,592,358	0.657	2,335,683,218
2016	97,071,900	2,012,228,183	1,747,800	75,986	172,922,115	542,900	2,883,700	2,287,472,584	182,119,774	2,469,592,358	0.645	2,163,791,174
2015	112,347,900	1,941,283,983	1,705,400	35,392	147,741,815	558,100	2,883,700	2,206,556,290	167,395,174	2,373,951,464	0.656	2,267,936,874
2014	152,049,100	2,425,444,439	1,953,200	79,058	159,319,263	566,100	3,060,000	2,742,471,160	200,555,596	2,943,026,756	0.516	2,342,388,469
2013	111,911,000	2,531,443,939	2,819,400	78,896	144,064,463	566,100	3,060,000	2,793,943,798	200,256,596	2,993,045,872	0.500	2,718,812,880
2012	116,303,400	2,636,568,189	2,819,400	78,896	149,605,749	566,100	3,060,000	2,909,001,734	5,955,862	2,954,182,408	0.436	2,711,597,440
2011	124,822,000	2,666,799,789	2,843,400	80,631	151,717,049	566,100	3,060,000	2,949,888,969	5,955,862	3,121,595,072	0.450	2,866,592,618

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2020	\$ 22,282,100	\$ 176,853,600	\$ 1,169,800	\$ 45,900	\$ 28,974,600	\$ 4,271,900	\$ 319,200	\$ 233,917,100	\$ 33,852,500	\$ 267,769,600	0.710	\$ 239,573,475
2019	22,332,100	177,802,400	268,900	39,500	28,752,200	4,271,900	319,200	235,769,600	33,758,500	269,528,100	0.667	230,485,689
2018	22,963,600	177,642,500	266,900	39,400	28,898,200	4,271,900	319,200	235,769,600	33,731,400	269,501,000	0.619	219,201,377
2017	25,549,100	176,936,900	288,900	39,400	28,113,700	4,522,400	319,200	235,769,600	33,655,800	269,425,400	0.619	229,795,284
2016	25,145,900	178,845,900	268,900	63,100	29,963,700	4,440,200	319,200	235,046,900	33,284,800	268,331,700	0.615	236,954,038
2015	27,018,000	180,405,800	268,900	52,400	29,865,300	4,440,200	319,200	242,369,800	33,446,100	275,815,900	0.612	271,217,359
2014	25,860,200	182,014,100	268,900	52,400	29,239,800	4,440,200	319,200	242,194,800	452,190	244,730,110	0.477	270,501,214
2013	26,699,700	183,965,880	268,900	32,400	29,565,800	4,300,500	319,200	245,152,380	452,190	283,138,210	0.513	264,279,064
2012	24,511,900	210,822,000	281,500	50,600	33,519,900	3,967,600	436,900	283,590,400	521,335	282,890,265	0.490	307,728,267
2011	36,756,300	209,278,500	281,500	50,600	32,640,200	3,967,600	436,900	283,411,600	491,494	283,786,706	0.490	307,511,034

Source: County Abstract of Rates & Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2020	\$ 13,379,000	\$ 335,700,300	\$ -	\$ 3,000	\$ 39,292,100	\$ -	\$ 30,308,500	\$ 418,682,900	\$ 40,426,900	\$ 459,109,800	0.686	\$ 428,384,258
2019	15,470,300	329,430,100	-	3,000	39,518,000	-	30,308,500	414,729,900	40,401,700	455,131,600	0.712	418,995,431
2018	25,824,900	326,198,700	17,400	3,000	36,541,800	-	18,614,000	407,199,800	47,405,900	454,605,700	0.604	407,072,959
2017	27,729,200	322,011,700	17,400	3,000	37,180,000	-	18,614,000	405,555,300	46,606,100	452,161,400	0.604	405,917,431
2016	29,559,900	318,668,100	17,400	3,000	38,070,000	-	18,614,000	404,932,400	45,553,100	450,485,500	0.554	393,472,893
2015	29,969,400	325,156,800	17,400	3,000	37,638,100	-	18,614,000	411,398,700	45,907,100	457,305,800	0.553	422,706,914
2014	19,711,700	341,609,100	-	-	38,812,800	-	18,614,000	418,747,600	45,317,800	432,325,599	0.519	493,262,812
2013	20,240,900	354,880,700	-	-	39,133,800	-	18,614,000	432,869,400	543,801	432,772,829	0.496	491,227,190
2012	20,760,500	354,316,300	-	-	39,625,830	-	18,614,000	433,316,630	543,801	434,409,976	0.543	514,834,324
2011	22,425,100	351,770,800	-	-	39,725,000	-	21,117,700	435,038,600	628,624	431,668,470	0.526	543,516,309

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2020	\$ 7,266,800	\$ 117,216,200	\$ 5,639,100	\$ 806,300	\$ 39,847,800	\$ -	\$ -	\$ 170,776,200	\$ 98	\$ 170,776,298	0.793	\$ 174,609,830
2019	7,708,900	116,334,300	5,639,100	697,300	40,009,100	-	-	170,388,700	98	170,388,798	0.740	175,506,303
2018	7,864,800	117,183,100	6,462,200	741,100	40,009,100	-	-	172,260,300	100	172,260,400	0.707	168,862,609
2017	8,091,100	117,201,500	5,980,100	741,100	40,009,100	-	-	172,022,900	1,322,600	173,345,500	0.693	177,690,912
2016	8,666,300	117,283,100	5,093,100	707,180	27,354,100	-	-	159,103,780	1,046,301	160,150,081	0.706	177,090,274
2015	9,048,200	117,471,700	5,136,700	702,600	27,354,100	-	-	159,713,300	1,046,301	190,219,472	0.838	146,998,579
2014	11,631,000	143,885,236	5,791,500	711,600	27,120,500	-	-	189,139,836	1,079,636	191,915,023	0.513	198,462,700
2013	11,631,000	145,382,700	5,898,200	707,700	29,550,500	-	-	193,170,100	1,255,077	192,279,223	0.474	187,416,416
2012	12,014,800	145,419,700	5,992,300	553,000	29,554,500	-	-	193,534,300	1,255,077	192,279,223	0.480	190,674,944
2011	12,014,800	145,419,700	5,992,300	553,000	29,554,500	-	-	193,534,300	1,255,077	196,298,219	0.479	188,904,728



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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES					TOTAL DIRECT AND OVERLAPPING TAX RATE	
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	LITTLE EGG HARBOR SCHOOL		MUNICIPAL LOCAL PURPOSE
2020	0.721	0.025	0.746	0.355	0.039	0.017	0.013	0.604	0.811	2.585
2019	0.696	0.025	0.721	0.353	0.039	0.018	0.012	0.594	0.743	2.480
2018	0.621	0.025	0.646	0.357	0.039	0.014	0.013	0.575	0.656	2.300
2017	0.632	0.025	0.657	0.354	0.039	0.014	0.013	0.578	0.693	2.348
2016	0.508	0.021	0.529	0.286	0.031	0.012	0.011	0.446	0.557	1.872
2015	0.495	0.021	0.516	0.286	0.031	0.012	0.011	0.446	0.560	1.862
2014	0.480	0.020	0.500	0.280	0.333	0.012	0.011	0.420	0.546	2.102
2013	0.453	0.020	0.473	0.273	0.031	0.012	0.011	0.406	0.523	1.729
2012	0.433	0.017	0.450	0.259	0.037	0.015	0.014	0.602	0.571	1.948
2011	0.418	0.020	0.438	0.249	0.029	0.012	0.012	0.357	0.451	1.548

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES					TOTAL DIRECT AND OVERLAPPING TAX RATE	
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	EAGLESWOOD LOCAL SCHOOL DIST		MUNICIPAL LOCAL PURPOSE
2020	0.686	0.024	0.710	0.346	0.039	0.017	0.012	1.163	0.425	2.712
2019	0.643	0.024	0.667	0.336	0.037	0.016	0.012	1.146	0.416	2.630
2018	0.595	0.024	0.619	0.342	0.037	0.013	0.012	1.009	0.415	2.447
2017	0.611	0.025	0.636	0.357	0.039	0.014	0.012	0.823	0.398	2.279
2016	0.606	0.025	0.631	0.335	0.038	0.014	0.012	0.796	0.388	2.214
2015	0.590	0.025	0.615	0.335	0.038	0.014	0.012	0.796	0.388	2.198
2014	0.587	0.025	0.612	0.344	0.040	0.015	0.013	0.723	0.379	2.126
2013	0.358	0.024	0.382	0.331	0.038	0.014	0.014	0.701	0.361	1.841
2012	0.494	0.020	0.514	0.266	0.030	0.012	0.012	0.513	0.293	1.640
2011	0.478	0.020	0.498	0.274	0.033	0.013	0.013	0.551	0.283	1.665

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES							TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	TUCKERTON LOCAL SCHOOL DIST	MUNICIPAL LOCAL PURPOSE		
2020	0.663	0.023	0.686	0.346	0.038	0.017	0.012	0.762	0.759	2.620	
2019	0.689	0.023	0.712	0.345	0.038	0.017	0.012	0.754	0.737	2.615	
2018	0.581	0.023	0.604	0.352	0.038	0.014	0.012	0.733	0.679	2.432	
2017	0.520	0.021	0.541	0.339	0.037	0.013	0.012	0.689	0.633	2.264	
2016	0.534	0.022	0.556	0.351	0.039	0.015	0.012	0.667	0.626	2.266	
2015	0.531	0.022	0.553	0.351	0.039	0.015	0.012	0.667	0.626	2.263	
2014	0.498	0.021	0.519	0.343	0.040	0.015	0.013	0.643	0.612	2.185	
2013	0.473	0.021	0.494	0.342	0.039	0.014	0.014	0.625	0.612	2.140	
2012	0.496	0.022	0.518	0.327	0.037	0.015	0.014	0.602	0.571	2.084	
2011	0.506	0.021	0.527	0.319	0.038	0.016	0.016	0.594	0.572	2.082	

Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	TOTAL COUNTY	BASS RIVER LOCAL SCHOOL DISTRICT	MUNICIPAL LOCAL PURPOSE	
2020	0.766	0.027	0.793	0.403	0.677	0.373	2.246
2019	0.713	0.027	0.740	0.411	0.919	0.374	2.444
2018	0.680	0.027	0.707	0.346	0.863	0.156	2.072
2017	0.666	0.027	0.693	0.387	0.867	0.156	2.103
2016	0.678	0.028	0.706	0.461	0.897	0.156	2.220
2015	0.678	0.028	0.706	0.419	0.838	0.131	2.094
2014	0.622	0.026	0.648	0.357	0.669	0.107	1.781
2013	0.492	0.021	0.513	0.372	0.637	0.056	1.578
2012	0.473	0.021	0.494	0.376	0.621	0.041	1.532
2011	0.456	0.018	0.474	0.321	0.611	0.042	1.448

Source: Municipal Tax Collector

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

Taxpayer	2020			2011		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Sea Oaks Golf Club	N/A	1	N/A	N/A	1	N/A
Healthtec Properties	N/A	2	N/A	N/A	2	N/A
Mystic Partners	N/A	3	N/A	N/A	3	N/A
AT & T	N/A	4	N/A	N/A	4	N/A
Armstrong Tuckerton LLC	N/A	5	N/A	N/A	5	N/A
Andwin Realty Investors, LLC	N/A	6	N/A	N/A	6	N/A
Mystic Investor Association	N/A	7	N/A	N/A	7	N/A
James Properties, LLC	N/A	8	N/A	N/A	8	N/A
Jarat, Inc.	N/A	9	N/A	N/A	9	N/A
Individual Taxpayer, #1	N/A	10	N/A	N/A	10	N/A
<b>Total</b>	<b>\$ -</b>		<b>0.00%</b>	<b>\$ -</b>		<b>0.00%</b>

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

Taxpayer	2020			2011		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Eagles Lake Reserve, Inc.	N/A	1	N/A	N/A	1	N/A
Doland-Eaglewood Assn.	N/A	2	N/A	N/A	2	N/A
Taxpayer #1	N/A	3	N/A	N/A	3	N/A
Steakmaster	N/A	4	N/A	N/A	4	N/A
Atlantic City Electric Co.	N/A	5	N/A	N/A	5	N/A
Stafford Business Park, LLC	N/A	6	N/A	N/A	6	N/A
Osenenko	N/A	7	N/A	N/A	7	N/A
Felman Investment	N/A	8	N/A	N/A	8	N/A
SS West Creek, LLC	N/A	9	N/A	N/A	9	N/A
Taxpayer #2	N/A	10	N/A	N/A	10	N/A
<b>Total</b>	<b>\$ -</b>		<b>0.00%</b>	<b>\$ -</b>		<b>0.00%</b>

Source: Municipal Tax Assessor

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

Taxpayer	2020			2011		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Cammeby's Management Co. of N	N/A	1	N/A	N/A	1	N/A
H2 Investments, LLC	N/A	2	N/A	N/A	2	N/A
Milestone Property	N/A	3	N/A	N/A	3	N/A
Brasil Telecom America Inc.	N/A	4	N/A	N/A	4	N/A
Taxpayer #1	N/A	5	N/A	N/A	5	N/A
Mijan Inc.	N/A	6	N/A	N/A	6	N/A
Cammeby's Barlett Landing, LLC	N/A	7	N/A	N/A	7	N/A
GEB Marina, Inc.	N/A	8	N/A	N/A	8	N/A
Tuckerton Lumber Co.	N/A	9	N/A	N/A	9	N/A
Taxpayer #2	N/A	10	N/A	N/A	10	N/A
<b>Total</b>	<b>\$ -</b>		<b>0.00%</b>	<b>\$ -</b>		<b>0.00%</b>

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

Taxpayer	2020			2011		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Viking Yacht	N/A	1	N/A	N/A	1	N/A
Viking Yachting Center	N/A	2	N/A	N/A	2	N/A
Bayview Capital	N/A	3	N/A	N/A	3	N/A
Gateway Property, LLC	N/A	4	N/A	N/A	4	N/A
Taxpayer #1	N/A	5	N/A	N/A	5	N/A
Chips Folly	N/A	6	N/A	N/A	6	N/A
K.O.A.	N/A	7	N/A	N/A	7	N/A
Timerline Campgrounds	N/A	8	N/A	N/A	8	N/A
Taxpayer #2	N/A	9	N/A	N/A	9	N/A
Taxpayer #3	N/A	10	N/A	N/A	10	N/A
<b>Total</b>	<b>\$ -</b>		<b>0.00%</b>	<b>\$ -</b>		<b>0.00%</b>

Source: Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2020	\$ 22,562,282.00	\$ 22,562,282.00	100.00%	-
2019	21,434,889.00	21,434,889.00	100.00%	-
2018	20,029,616.00	20,029,616.00	100.00%	-
2017	19,458,806.00	19,458,806.00	100.00%	-
2016	19,238,454.00	19,238,454.00	100.00%	-
2015	18,782,164.00	18,782,164.00	100.00%	-
2014	18,510,276.00	18,510,276.00	100.00%	-
2013	18,160,168.00	18,160,168.00	100.00%	-
2012	17,805,500.00	17,805,500.00	100.00%	-
2011	17,285,776.00	17,285,776.00	100.00%	-

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

**Debt Capacity Information**

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

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

FISCAL YEAR ENDED JUNE 30,	<u>GOVERNMENTAL ACTIVITIES</u>			*		*	
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL DISTRICT	OCEAN COUNTY		BURLINGTON COUNTY	
				PERCENTAGE OF PERSONAL INCOME	PER CAPITA PERSONAL INCOME	PERCENTAGE OF PERSONAL INCOME	PER CAPITA PERSONAL INCOME
2020	\$ 55,525,000	\$ 4,931,000	\$ 60,456,000	N/A	N/A	N/A	N/A
2019	57,375,000	5,071,000	62,446,000	N/A	N/A	N/A	N/A
2018	57,770,000	5,897,000	63,667,000	N/A	N/A	N/A	N/A
2017	5,393,000	6,225,000	11,618,000	N/A	N/A	N/A	N/A
2016	7,813,000	9,560,000	17,373,000	N/A	N/A	N/A	N/A
2015	9,273,000	1,002,999	10,275,999	N/A	N/A	N/A	N/A
2014	11,358,000	742,410	12,100,410	0.36%	43,214	N/A	N/A
2013	12,333,000	909,582	13,242,582	0.33%	43,200	0.37%	51,079
2012	13,263,000	901,934	14,164,934	0.30%	41,986	0.37%	49,626
2011	14,153,000	675,000	14,828,000	0.29%	40,611	0.33%	47,849

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2020	\$ 38,983,781	\$ 38,983,781	2.70%	1,823
2019	41,716,476	41,716,476	2.90%	1,951
2018	21,660,031	21,660,031	0.88%	N/A
2017	3,988,825	3,988,825	0.17%	N/A
2016	5,855,062	5,855,062	0.20%	N/A
2015	6,949,186	6,949,186	0.24%	N/A
2014	6,982,909	6,982,909	0.23%	343
2013	8,511,685	8,511,685	0.29%	422
2012	9,242,350	9,242,350	0.31%	460
2011	9,939,292	9,939,292	0.34%	477

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2020	\$ 3,638,486	\$ 3,638,486	3.1%	2,263
2019	3,893,538	3,893,538	3.00%	2,421
2018	759,499	759,499	0.28%	N/A
2017	412,079	412,079	0.15%	N/A
2016	674,147	674,147	0.24%	N/A
2015	677,419	677,419	0.25%	411
2014	825,727	825,727	0.31%	513
2013	896,609	896,609	0.34%	559
2012	964,220	964,220	0.36%	566
2011	1,082,705	1,082,705	0.35%	645

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2020	\$ 6,234,705	\$ 6,234,705	2.40%	1,847
2019	6,674,636	6,674,636	2.60%	1,978
2018	1,043,490	1,043,490	0.24%	N/A
2017	850,174	850,174	0.19%	N/A
2016	862,303	862,303	0.19%	N/A
2015	1,206,417	1,206,417	0.26%	N/A
2014	1,212,272	1,212,272	0.26%	360
2013	1,477,676	1,477,676	0.34%	439
2012	1,604,523	1,604,523	0.37%	479
2011	1,725,516	1,725,516	0.40%	441

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2020	\$ 3,118,702	\$ 3,118,702	3.00%	2,193
2019	3,337,318	3,337,318	3.20%	2,347
2018	452,828	443,249	0.26%	N/A
2017	300,336	443,249	0.28%	N/A
2016	443,249	443,249	0.28%	N/A
2015	445,400	445,400	0.23%	309
2014	542,912	542,912	0.28%	375
2013	589,517	589,517	0.31%	408
2012	633,971	633,971	0.33%	411
2011	652,453	652,453	0.33%	422

**PINELANDS REGIONAL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2020  
LITTLE EGG HARBOR TOWNSHIP  
Unaudited**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ 30,601,757.22	100.00%	\$ 30,601,757.22
Subtotal, Overlapping Debt			
Pinelands Regional School District	55,515,000.00	74.93%	41,597,390
County of Ocean	450,942,968.24	2.38%	<u>10,744,285.39</u>
Subtotal, Overlapping Debt			<u>82,943,432</u>
Local School District Direct Debt	15,957,594.00	100.00%	<u>15,957,594.00</u>
Total Direct & Overlapping Debt			<u><u>\$ 98,901,026</u></u>

**AS OF JUNE 30, 2020  
EAGLESWOOD TOWNSHIP  
Unaudited**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ (72,333.79)	100.0%	\$ (72,333.79)
Subtotal, Overlapping Debt			
Pinelands Regional School District	55,515,000.00	7.94%	4,407,891
County of Ocean	450,942,968.24	0.25%	<u>1,134,475.71</u>
Subtotal, Overlapping Debt			<u>5,470,033</u>
Local School District Direct Debt	3,905,000.00	100.00%	<u>3,905,000.0</u>
Total Direct & Overlapping Debt			<u><u>\$ 9,375,033</u></u>

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

**PINELANDS REGIONAL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2020  
TUCKERTON BOROUGH  
Unaudited**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ 3,620,599.61	100.00%	\$ 3,620,599.61
Subtotal, Overlapping Debt			
Pinelands Regional School District	55,515,000.00	11.24%	6,239,886
County of Ocean	450,942,968.24	0.43%	<u>1,945,138.35</u>
Subtotal, Overlapping Debt			<u>11,805,624</u>
Local School District Direct Debt	3,525,000.00	100.00%	<u>3,525,000.00</u>
Total Direct & Overlapping Debt			<u><u>\$ 15,330,624</u></u>

**AS OF JUNE 30, 2020  
BASS RIVER TOWNSHIP  
Unaudited**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$ -	100.0%	\$ -
Subtotal, Overlapping Debt			
Pinelands Regional School District	55,515,000.00	5.89%	3,269,834
County of Burlington	221,311,009.30	0.35%	<u>780,746.61</u>
Subtotal, Overlapping Debt			<u>4,050,580</u>
Local School District Direct Debt	-	100.00%	<u>-</u>
Total Direct & Overlapping Debt			<u><u>\$ 4,050,580</u></u>

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 83,721,356.41	\$ 81,761,860.74	\$ 79,245,455.00	\$ 81,777,970.00	\$ 89,494,592.00	\$ 93,575,311.00	\$ 95,415,706.00	\$ 95,415,706.00	\$ 71,248,066.00	\$ 106,680,946.00
Total Net Debt Applicable to Limit	15,957,594.00	21,660,031.00	21,660,031.00	4,902,268.00	6,949,186.00	7,747,297.00	8,511,685.00	8,511,685.00	9,242,350.00	9,908,787.00
Legal Debt Margin	\$ 67,763,762.41	\$ 60,101,829.74	\$ 57,585,424.00	\$ 76,875,702.00	\$ 82,545,406.00	\$ 85,828,014.00	\$ 86,904,021.00	\$ 86,904,021.00	\$ 62,005,716.00	\$ 96,772,159.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.06%	26.49%	27.33%	5.99%	7.76%	8.28%	8.92%	8.92%	12.97%	9.29%

**Legal Debt Margin Calculation**

	2019	2018	2017
Average Equalized Valuation of Taxable Property	\$ 2,454,602,506.00	\$ 2,391,400,094.00	\$ 2,330,113,664.00
Debt Limit (4% of Average Equalization Value) Net/Bonded School Debt	\$ 98,184,100.24	\$ 95,656,037.76	\$ 93,225,466.56
Legal Debt Margin	\$ 2,356,418,405.76	\$ 2,295,744,056.24	\$ 2,236,888,197.44

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 8,055,269.12	\$ 7,967,701.07	\$ 8,398,933.00	\$ 8,473,662.00	\$ 8,924,360.00	\$ 9,343,614.00	\$ 9,258,816.00	\$ 9,258,818.00	\$ 10,150,539.00	\$ 10,356,442.00
Total Net Debt Applicable to Limit	3,905,000.00	759,499.00	759,499.00	506,445.00	674,147.00	751,573.00	751,573.00	825,727.00	896,609.00	1,014,620.00
Legal Debt Margin	\$ 4,150,269.12	\$ 7,208,202.07	\$ 7,639,434.00	\$ 7,967,217.00	\$ 8,250,213.00	\$ 8,592,041.00	\$ 8,507,243.00	\$ 8,433,091.00	\$ 9,253,930.00	\$ 9,341,822.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	48.48%	9.53%	9.04%	5.98%	7.55%	8.04%	8.12%	8.92%	8.83%	9.80%

<u>Legal Debt Margin Calculation</u>	
Average Equalized Valuation of Taxable Property	Equalized Valuation Basis
	2019
	2018
	2017
	\$ 239,265,377.00
	230,818,343.00
	220,367,919.00
	\$ 690,451,639.00
	\$ 230,150,546.33
	\$ 8,055,269
	3,905,000.00
	\$ 4,150,269.12

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 14,528,277.48	\$ 14,302,380.94	\$ 13,968,987.00	\$ 14,238,703.00	\$ 16,001,106.00	\$ 16,774,905.00	\$ 17,036,868.00	\$ 17,036,868.00	\$ 18,340,688.00	\$ 18,516,728.00
Total Net Debt Applicable to Limit	3,525,000.00	1,043,490.00	1,043,490.00	850,174.00	1,206,417.00	1,344,974.00	1,477,676.00	1,477,676.00	1,604,523.00	1,728,169.00
Legal Debt Margin	\$ 11,003,277.48	\$ 13,258,890.94	\$ 12,925,497.00	\$ 13,388,529.00	\$ 14,794,689.00	\$ 15,429,931.00	\$ 15,559,192.00	\$ 15,559,192.00	\$ 16,736,165.00	\$ 16,788,559.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	24.26%	7.30%	7.47%	5.97%	7.54%	8.02%	8.67%	8.67%	8.75%	9.33%

Legal Debt Margin Calculation

	2019	2018	2017
Equalized Valuation Basis	\$ 422,333,910.00	\$ 418,886,740.00	\$ 404,060,277.00
Average Equalized Valuation of Taxable Property	\$ 1,245,280,927.00	\$ 415,093,642.33	\$ 14,528,277
Debt Limit (4% of Average Equalization Value) Net Bonded School Debt	\$ 3,525,000.00	\$ 11,003,277.48	

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



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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 6,034,631.27	\$ 6,054,435.07	\$ 6,352,706.00	\$ 6,323,081.00	\$ 6,362,395.00	\$ 6,725,794.00	\$ 4,846,216.00	\$ 4,860,064.00	\$ 4,860,064.00	\$ 4,086,104.00
Total Net Debt Applicable to Limit	-	452,828.00	452,828.00	369,133.00	443,249.00	494,156.00	542,912.00	542,912.00	589,517.00	661,889.00
Legal Debt Margin	\$ 6,034,631.27	\$ 5,601,607.07	\$ 5,899,878.00	\$ 5,953,948.00	\$ 5,919,146.00	\$ 6,231,638.00	\$ 4,303,304.00	\$ 4,317,152.00	\$ 4,270,547.00	\$ 3,424,215.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	7.48%	7.13%	5.84%	6.97%	7.35%	11.20%	11.17%	12.13%	16.20%

Legal Debt Margin Calculation

	2019	2018	2017
Equalized Valuation Basis	\$ 173,282,518.00	\$ 176,405,937.00	\$ 167,565,654.00
Average Equalized Valuation of Taxable Property	\$ 517,254,109.00	\$ 172,418,036.33	\$ 6,034,631
Debt Limit (4% of Average Equalization Value)			
Net Bonded School Debt			
Legal Debt Margin	\$ 6,034,631.27		

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

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### **Demographic and Economic Information**

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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

YEAR	POPULATION	PERSONAL INCOME	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
<b>LITTLE EGG HARBOR TOWNSHIP</b>				
2020	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	5.50%
2018	21,386	N/A	N/A	N/A
2017	21,080	N/A	N/A	N/A
2016	* 20,865	N/A	N/A	8.6%
2015	20,568	881,392,744	43,214	11.7%
2014	20,321	881,053,712	43,016	11.9%
2013	20,298	852,697,524	42,121	11.7%
2012	20,258	818,744,058	40,689	10.7%
2011	20,245	845,704,288	40,612	6.5%
<b>EAGLESWOOD TOWNSHIP</b>				
2020	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	4.80%
2018	1,608	N/A	N/A	N/A
2017	1,604	N/A	N/A	N/A
2016	* 1,598	N/A	N/A	8.9%
2015	1,600	N/A	N/A	7.0%
2014	1,597	69,660,968	43,214	9.5%
2013	1,601	69,169,728	43,016	9.3%
2012	1,601	67,604,205	42,121	8.4%
2011	1,601	69,293,367	40,689	5.1%
<b>TUCKERTON BOROUGH</b>				
2020	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	5.20%
2018	3,375	N/A	N/A	N/A
2017	3,368	N/A	N/A	N/A
2016	* 3,378	N/A	N/A	7.5%
2015	3,379	N/A	N/A	9.0%
2014	3,380	N/A	N/A	14.8%
2013	3,362	144,810,114	43,214	14.5%
2012	3,349	144,189,632	43,016	13.2%
2011	3,356	164,945,836	42,121	8.1%
<b>BASS RIVER TOWNSHIP</b>				
2020	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	6.80%
2018	1,422	N/A	N/A	N/A
2017	1,428	N/A	N/A	N/A
2016	* 1,433	N/A	N/A	10.5%
2015	1,440	74,668,548	51,638	12.3%
2014	1,439	74,114,901	51,149	9.2%
2013	1,441	71,732,950	49,471	9.0%
2012	1,442	68,714,184	47,586	9.0%
2011	1,444	73,018,744	47,384	8.7%

\*2010 Census

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

**LITTLE EGG HARBOR TOWNSHIP**

NOT AVAILABLE

**EAGLESWOOD TOWNSHIP**

NOT AVAILABLE

**TUCKERTON BOROUGH**

NOT AVAILABLE

**BASS RIVER TOWNSHIP**

NOT AVAILABLE

### **Operating Information**

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

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

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Instruction:</b>										
Regular	114	116	115	114	117	125	124	128	128	130
Special Education	38	41	41	43	39	39	43	43	45	46
Other Special Education Instruction	16	18	17	16	15	16	25	25	14	14
<b>Support Services:</b>										
Student and Instruction Related Services	42	48	47	51	52	58	51	52	67	67
General Administrative Services	8	8	8	9	9	5	5	5	4	4
School Administrative Services	15	13	13	11	14	13	13	3	8	8
Business Administrative Services	4	4	4	4	5	4	4	4	4	4
Plant Operations & Maintenance	30	25	33	33	33	34	34	34	33	33
Pupil Transportation	1	1	1	1	1	1	1	1	1	1
<b>Total</b>	<b>268</b>	<b>274</b>	<b>279</b>	<b>282</b>	<b>284</b>	<b>295</b>	<b>300</b>	<b>295</b>	<b>304</b>	<b>307</b>

Source: District Personnel Records

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

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE				
2020	1,547	\$ 34,887,229.00	22,552	-2.23%	152	1:10	1:10	1,484	1,483	-1.72%	99.93%
2019	1,553	35,822,125.00	23,066	2.34%	157	1:10	1:10	1,510	1,430	-2.96%	94.70%
2018	1,585	35,722,606.00	22,538	0.71%	156	1:9:0	1:9:0	1,556	1,451	0.39%	93.25%
2017	1,577	35,292,460.00	22,379	4.77%	156	1:9:0	1:9:0	1,550	1,453	-0.90%	93.74%
2016	1,635	34,923,649.00	21,360	2.69%	163	1:9:0	1:9:0	1,564	1,459	-2.37%	93.29%
2015	1,646	34,238,960.00	20,801	5.21%	167	1:9:0	1:9:0	1,602	1,483	-0.25%	92.57%
2014	1,750	34,600,428.00	19,772	8.00%	171	1:8:0	1:9:0	1,606	1,572	-5.81%	97.88%
2013	1,781	32,606,116.00	18,308	2.23%	173	1:8:2	1:9:0	1,705	1,543	-3.18%	90.50%
2012	1,824	32,664,014.00	17,908	-1.32%	176	1:7:9	1:9:0	1,761	1,566	-0.90%	88.93%
2011	1,870	33,935,991.00	18,148	#DIV/0!	186	1:8:4	1:9:0	1,777	1,635	#DIV/0!	92.01%

Sources: District records

Note: Enrollment based on annual October district count.

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

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

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

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

DISTRICT BUILDINGS	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Middle School:										
Square Feet	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000
Capacity (Students)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	N/A	N/A	768	831	778	822	899	841	634	972
High School:										
Square Feet	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000
Capacity (Students)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	N/A	N/A	796	756	935	958	956	956	1,237	880
Alternate School:										
Square Feet	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	N/A	N/A
Capacity (Students)	48	48	48	48	48	48	48	48	N/A	N/A
Enrollment	N/A	N/A	13	15	16	14	15	15	N/A	N/A
Other Buildings:										
Administration Building:										
Square Feet	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600

Number of Schools at June 30, 2020:

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

**Source:** District Facilities Office

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

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

*School Facilities Project Numbers	MIDDLE SCHOOL 4950-060-04-1000	HIGH SCHOOL	TOTAL
2020	\$ 206,419.14	\$ 356,423.29	562,842.43
2019	215,016.70	371,268.66	586,285.36
2018	239,968.00	414,352.00	654,320.00
2017	263,384.00	345,785.00	609,169.00
2016	309,576.00	406,429.00	716,005.00
2015	260,355.00	341,809.00	602,164.00
2014	235,121.00	383,337.00	618,458.00
2013	240,929.00	349,427.00	590,356.00
2012	356,241.00	411,450.00	767,691.00
2011	260,702.00	455,778.00	716,480.00

**PINELANDS REGIONAL SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2020**  
**Unaudited**

COMPANY	TYPE OF COVERAGE	AMOUNT OF COVERAGE	DEDUCTIBLE
NJ School Board Insurance Co.	School Package Policy	\$ 500,000,000	\$ 5,000
	Property - Blanket Buildings & Grnds	117,044,533	
	Flood	75,000,000	500,000
	Earthquake	50,000,000	5,000
	Computers	500,000	1,000
	General Liability	16,000,000	
	Employee Benefit Liability	16,000,000	-
	Public Employee Dishonesty & Faithful Performance	100,000	1,000
	Money & Securities - In/Out	500,000	
	Forgery or Alteration	100,000	1,000
	School Board Legal Liability:		
	Each Loss	100,000	
Aggregate	300,000	10,000	
Abuse or Molestation:	included		
Comprehensive Auto Liability: Combined Single Limit	16,000,000		
New Jersey School Board Assoc.	Workers Compensation	3,000,000	
Markel Insurance Co.	Student Accident	5,000,000	25,000
Fireman's Fund Insurance Company	Excess Umbrella Policy	48,000,000	

Source: District Records

**SINGLE AUDIT SECTION**

Fourth Section

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**EXHIBIT K-1**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Pinelands Regional School District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 19, 2021.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

However, we noted one immaterial instance of noncompliance that are not required to be reported under Governmental Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, that we reported to management in a separate Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance dated January 19, 2021.

### **Purpose of This Report**

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Toms River, New Jersey  
January 19, 2021





## EXHIBIT K-2

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

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

#### Report on Compliance for Each Major Federal and State Program

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

#### Management's Responsibility

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

#### Auditor's Responsibility

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

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

## Opinion on Each Major Federal and State Program

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

## Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Toms River, New Jersey  
January 19, 2021

PINELANDS REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	BALANCE JUNE 30, 2020	
											UNEARNED REVENUE	(ACCOUNTS RECEIVABLE) DUE TO GRANTOR
<b>U.S. Department of Health and Human Services</b> Passed Through New Jersey Department of Human Services: Medicaid Cluster Medical Assistance Program (SEM) Total Medicaid Cluster	93-778	1805N5MAP	100-054-7540-211	\$ 64,934.13	7/1/19-6/30/2020	\$ -	\$ 64,934.13	\$ (64,934.13)	\$ -	\$ -	\$ -	\$ -
<b>Total U.S. Department of Health and Human Services</b>							64,934.13	(64,934.13)	-	-	-	-
<b>U.S. Department of Agriculture</b> Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster: School Breakfast Program	10-553	171N304N1099	100-010-3350-028	83,686.28	7/1/18-6/30/2019	(5,686.09)	5,686.09	-	-	-	-	-
National School Lunch Program	10-555	1616N304N1099	100-010-3350-028	294,812.92	7/1/18-6/30/2019	(13,767.81)	13,767.81	-	-	-	-	-
Healthy Hunger-Free Kids Act	10-555	1616N304N1099	100-010-3350-026	8,970.24	7/1/18-6/30/2019	(412.62)	412.62	-	-	-	-	-
National School After School Snack Program	10-555	171N304N1099	100-010-3350-026	438.39	7/1/18-6/30/2019	(21.69)	21.69	-	-	-	-	-
<b>Total Child Nutrition Cluster</b>						(19,888.21)	19,888.21	-	-	-	-	-
<b>Total U.S. Department of Agriculture</b>						(19,888.21)	19,888.21	-	-	-	-	-
<b>U.S. Department of Education</b> Passed Through New Jersey Department of Education: No Child Left Behind (N.C.L.B.): Title I - Part A Title I - Part A	84-010 84-010	S010A160030 S010A150030	100-034-5064-194 100-034-5064-194	462,596.79 490,675.00	7/1/19-6/30/2020 7/1/18-6/30/2019	- (87,136.00)	263,676.00 350,812.00	(462,596.79) (462,596.79)	- -	- -	(198,920.79) (198,920.79)	- -
Title II - Part A, Supporting Effective Instruction Title II - Part A, Supporting Effective Instruction	84-367 84-367	S367A160029 S367A150029	100-034-5063-290 100-034-5063-290	49,914.00 82,731.00	7/1/19-6/30/2020 7/1/18-6/30/2019	- (22,302.00)	39,200.00 61,502.00	(49,914.00) (49,914.00)	- -	- -	(10,714.00) (10,714.00)	- -
Title IV Title IV	84-424 84-424	S424A180031 S424A180031	100-034-5063-348 100-034-5063-348	25,925.00 26,531.00	7/1/19-6/30/2020 7/1/18-6/30/2019	- (23,281.00)	25,925.00 23,281.00	(25,925.00) -	- -	- -	- -	- -
Special Education Cluster: L.D.E.A. Part B L.D.E.A. Part B	84-027 84-027	H027A160100 H027A150100	100-034-5065-016 100-034-5065-016	418,282.48 430,343.00	7/1/19-6/30/2020 7/1/18-6/30/2019	- (150,765.53)	303,550.47 150,765.53	(418,282.48) (418,282.48)	- -	- -	(114,732.01) (114,732.01)	- -
<b>Total Special Education Cluster</b>						(150,765.53)	454,316.00	(418,282.48)	-	-	(114,732.01)	-
CARES Emergency Relief Grant	84-425D	S425D200027	N/A	20,888.08	3/13/20-9/30/22	-	-	(20,888.08)	-	-	(20,888.08)	-
<b>Total U.S. Department of Education</b>						(303,372.74)	1,000,658.34	(1,042,540.48)	-	-	(46,254.88)	-
<b>Total Expenditures of Federal Awards</b>												

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

PINELANDS REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2020

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	UNEARNED REVENUE	BALANCE, JUNE 30, 2020		MEMO CUMULATIVE TOTAL EXPENDITURES			
									RECEIVABLE	DUE TO GRANTOR				
<b>New Jersey Department of Education:</b>														
State Aid Public:														
Special Education Categorical Aid	495-034-5120-089	\$ 1,098,899.00	7/1/19-6/30/20	-	\$ 1,098,899.00	\$ (1,098,899.00)	-	-	-	\$ 107,243.84	\$ 1,098,899.00			
Security Aid	495-034-5120-084	387,815.00	7/1/19-6/30/20	-	387,815.00	(387,815.00)	-	-	-	37,847.67	387,815.00			
Adjustment Aid	495-034-5120-085	223,813.00	7/1/19-6/30/20	-	223,813.00	(223,813.00)	-	-	-	21,842.38	223,813.00			
School Choice Aid	495-034-5120-068	63,477.00	7/1/19-6/30/20	-	63,477.00	(63,477.00)	-	-	-	6,194.85	63,477.00			
Equalization Aid	495-034-5120-078	8,420,721.00	7/1/19-6/30/20	-	8,420,721.00	(8,420,721.00)	-	-	-	821,795.67	8,420,721.00			
Total State Aid Public														
Transportation Aid	495-034-5120-014	898,788.00	7/1/19-6/30/20	-	898,788.00	(898,788.00)	-	-	-	87,714.59	898,788.00			
Extraordinary Aid	495-034-5120-044	554,048.00	7/1/19-6/30/20	-	-	(554,048.00)	-	-	-	-	554,048.00			
Extraordinary Aid	495-034-5120-044	290,853.00	7/1/18-6/30/19	(290,853.00)	290,853.00	-	-	-	-	-	-			
Additional Non-Public Transportation Aid	495-034-5120-014	852.00	7/1/19-6/30/20	-	-	(852.00)	-	-	-	-	852.00			
Additional Non-Public Transportation Aid	495-034-5120-014	6,261.00	7/1/18-6/30/19	(6,261.00)	6,261.00	-	-	-	-	-	-			
Reimbursed TPAF Social Security Contributions	495-034-5094-003	941,157.46	7/1/18-6/30/19	(183,869.24)	183,869.24	-	-	-	-	-	-			
Reimbursed TPAF Social Security Contributions	495-034-5094-003	843,849.62	7/1/19-6/30/20	-	753,139.64	(843,849.62)	-	-	(90,709.98)	-	843,849.62			
TPAF - Post Retirement	495-034-5094-001	1,018,655.00	7/1/19-6/30/20	-	1,018,655.00	(1,018,655.00)	-	-	-	-	1,018,655.00			
TPAF - Pension	495-034-5094-002	2,745,836.00	7/1/19-6/30/20	-	2,745,836.00	(2,745,836.00)	-	-	-	-	2,745,836.00			
TPAF - Long-Term Disability	495-034-5094-004	1,010.00	7/1/19-6/30/20	-	1,010.00	(1,010.00)	-	-	-	-	1,010.00			
TPAF - Insurance (Noncash Assistance)	495-034-5094-004	1,010.00	7/1/19-6/30/20	-	1,010.00	(1,010.00)	-	-	-	-	1,010.00			
Total General Fund														
Special Revenue Fund:				(480,983.24)	16,093,136.88	(16,257,763.62)	-	-	(645,609.98)	-	1,082,639.00	16,257,763.62		
School Based Youth	100-034-5120-064	493,945.00	7/1/19-6/30/20	-	493,945.00	(493,941.77)	-	3.23	-	-	-	493,941.77		
Total Special Revenue Fund														
Debt Service Fund:				-	1,267,715.00	(1,267,715.00)	-	-	-	-	-	1,267,715.00		
Debt Service Aid	495-034-5120-075	1,267,715.00	7/1/19-6/30/20	-	1,267,715.00	(1,267,715.00)	-	-	-	-	-	1,267,715.00		
Total Debt Service Fund														
<b>New Jersey Department of Agriculture:</b>														
Enterprise Fund:														
National School Lunch Program	100-010-3330-023	7,898.10	7/1/18-6/30/19	(363.65)	363.65	-	-	-	-	-	-	-		
Total Enterprise Fund														
Total State Financial Assistance														
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:														
TPAF - Post Retirement				(363.65)	363.65	-	-	-	-	-	-	-		
Medical (Noncash Assistance)	495-034-5094-001	\$ 1,018,655.00	7/1/19-6/30/20	-	-	\$ 1,018,655.00	-	-	-	-	-	-		
TPAF - Pension	495-034-5094-002	2,745,836.00	7/1/19-6/30/20	-	-	2,745,836.00	-	-	-	-	-	-		
TPAF - Long-Term Disability	495-034-5094-004	1,010.00	7/1/19-6/30/20	-	-	1,010.00	-	-	-	-	-	-		
Insurance (Noncash Assistance)	495-034-5094-004	1,010.00	7/1/19-6/30/20	-	-	1,010.00	-	-	-	-	-	-		
Total State Financial Assistance Subject to Calculation for Major Program Determination														
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">\$ (14,253,919.39)</td> </tr> </table>														\$ (14,253,919.39)
	\$ (14,253,919.39)													

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

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

**Note 1. Basis of Presentation**

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

**Note 2. Summary of Significant Accounting Policies**

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

**PINELANDS REGIONAL SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 3. Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$32,246 for the general fund and (\$88,121.31) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 64,934.13	\$ 16,290,009.62	\$ 16,354,943.75
Special Revenue Fund	889,485.04	493,941.77	1,383,426.81
Debt Service Fund	-	1,267,715.00	1,267,715.00
Total Awards & Financial Assistance	<u>\$ 954,419.17</u>	<u>\$ 18,051,666.39</u>	<u>\$ 19,006,085.56</u>

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Federal and State Loans Outstanding**

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

**PINELANDS REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

**Section I - Summary of Auditor's Results**

**Financial Statements**

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

**Federal Awards**

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

Identification of major programs:

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

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

**PINELANDS REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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

**State Financial Assistance**

Dollar threshold used to determine Type A programs	\$	750,000.00
Auditee qualified as low-risk auditee?	<u>  X  </u>	yes <span style="margin-left: 100px;">no</span>
Internal control over major programs:		
1) Material weakness(es) identified?	<u>          </u>	yes <span style="margin-left: 10px;"><u>  X  </u> no</span>
2) Significant deficiency(ies) identified?	<u>          </u>	yes <span style="margin-left: 10px;"><u>  X  </u> none reported</span>
Type of auditor's report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB Circular 15-08?	<u>          </u>	yes <span style="margin-left: 10px;"><u>  X  </u> no</span>

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-089	State Aid Public:
495-034-5120-084	Special Education Categorical Aid
495-034-5120-085	Security Aid
495-034-5120-068	Adjustment Aid
495-034-5120-078	School Choice Aid
	Equalization Aid
495-034-5120-014	Transportation Aid



**PINELANDS REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

**Section II - Financial Statement Findings**

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

None.

**PINELANDS REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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

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

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.

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

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.