

PLUMSTED TOWNSHIP SCHOOL DISTRICT

Plumsted, New Jersey

County of Ocean

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

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INTRODUCTORY SECTION

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Plumsted Township School District

117 Evergreen Road
New Egypt, NJ 08533
Telephone (609) 758-6800 Ext. 4200
Fax (609) 758-6808
www.newegypt.us

Michelle-Halperin-Krain
Acting Superintendent of Schools

Sean Gately
*Business Administrator/
Board Secretary*

January 20, 2021

Honorable President and Members
of the Board of Education
Plumsted Township School District
New Egypt, New Jersey

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Plumsted Township 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 Plumsted Township 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 Plumsted Township 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 Pre-K through 12. These include regular as well as special education for children with special needs.

ECONOMIC CONDITION AND OUTLOOK

All District schools closed effective March 16, 2020 due to the COVID-19 outbreak and did not resume in-person learning, for the majority of students, until October 5, 2020. The move from in-person instruction to virtual learning for the 2019-2020 school year resulted in operational cost reductions that added to the District’s fund balance for the period ending June 30, 2020. Budgeted use of reserve funds in the 2020-2021 school year were partially offset by the operational savings in 2019-2020.

On July 24, 2018, the State of New Jersey enacted legislation, known as S2, reforming the school funding formula and distribution of state aid to school districts. The district state aid reduction due to state reported overfunding and enrollment decline was \$112,017 for 2018-2019 (actual); \$798,914 for 2019-2020 (actual); and \$1,272,332 for 2020-2021 (estimated). Based upon state aid funding projections and enrollment trends, annual state aid reduction is projected to be \$1,700,000 for 2021-2022; \$2,500,000 for 2022-2023; \$3,500,000 for 2023-2024; and \$4,600,000 for 2024-2025.

The District’s local tax levy increase is statutory limited to a 2% increase unless voter approval is obtained. The District approved the maximum tax levy increase for the 2020-2021 school year of \$239,342. The projected shortfall in revenue compared to state aid is projected to be \$1,450,000 for 2021-2022; \$2,250,000 for 2022-2023; \$3,250,000 for 2023-2024; and \$4,340,000 for 2024-2025.

The District student enrollment continues to decline as reported in the Application for State School Aid. Enrollment in the District has declined from a high of 1,841 students in the 2007-2008 school year. As a result of the enrollment decline, the District moved all students from the New Egypt Primary School to the Dr. Gerald H. Woehr Elementary School beginning September 2019. The table below represents the last five (5) years.

School Year	Enrollment as of October 15	% Change
2015-2016	1,374	-6.27%
2016-2017	1,334	-2.91%
2017-2018	1,285	-3.67%
2018-2019	1,231	-4.20%
2019-2020	1,159	-5.85%

The District adopted strategic plan identified the building infrastructure needs requiring substantial capital investment. The Board of Education passed a resolution seeking voter approval of a \$9.6 capital bond. The bond referendum was defeated in two (2) separate elections, September and December 2018. Building systems in the high school and elementary school have been identified as end of life cycle and will require replacement in the near future.

EDUCATION PROGRAMS

Mission Statement: The Plumsted Township School District shall inspire all students to realize their personal potential. A rich and challenging learning environment, in partnership with the community, will develop critical thinkers, lifelong learners and productive citizens in the emerging global society.

The Plumsted Township School District educational program spans Pre-Kindergarten to 12th grade in an elementary, middle and a high school. Over 1,100 students have an opportunity to enhance their learning in age appropriate settings using the most current teaching pedagogy, curriculum and technology.

The District has a 1:1 computing environment for grades 2 through 12. The District offers 5 high school academies: Teachers for Tomorrow, Business, Engineering, Law and Justice and Video Production. All students in grades Pre-Kindergarten -12 are exposed to STEAM (Science, Technology, Engineering, Arts and Mathematics) curriculum. Both the middle school and high school have formal labs that have been created to include space for academic study, as well as hands on design, manufacturing and assembly.

The Summit Learning Platform will now be used in grades 6-11. Summit Learning is a personalized approach to teaching and learning based on 3 pillars to the student experience: project-based learning; 1:1 mentoring; and student-centered learning and goal setting. The District has seen improved student ownership and performance, as well as teacher efficacy with the personalized approach.

The District implemented a new elementary math program, *Bridges*. Teachers have support with the program and resources during grade band specific professional development. The professional development is facilitated by a contracted educational consultant with targeted content and developmental expertise.

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.

OTHER INFORMATION

INDEPENDENT AUDIT

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

and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

ACKNOWLEDGEMENTS

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

Respectfully submitted,

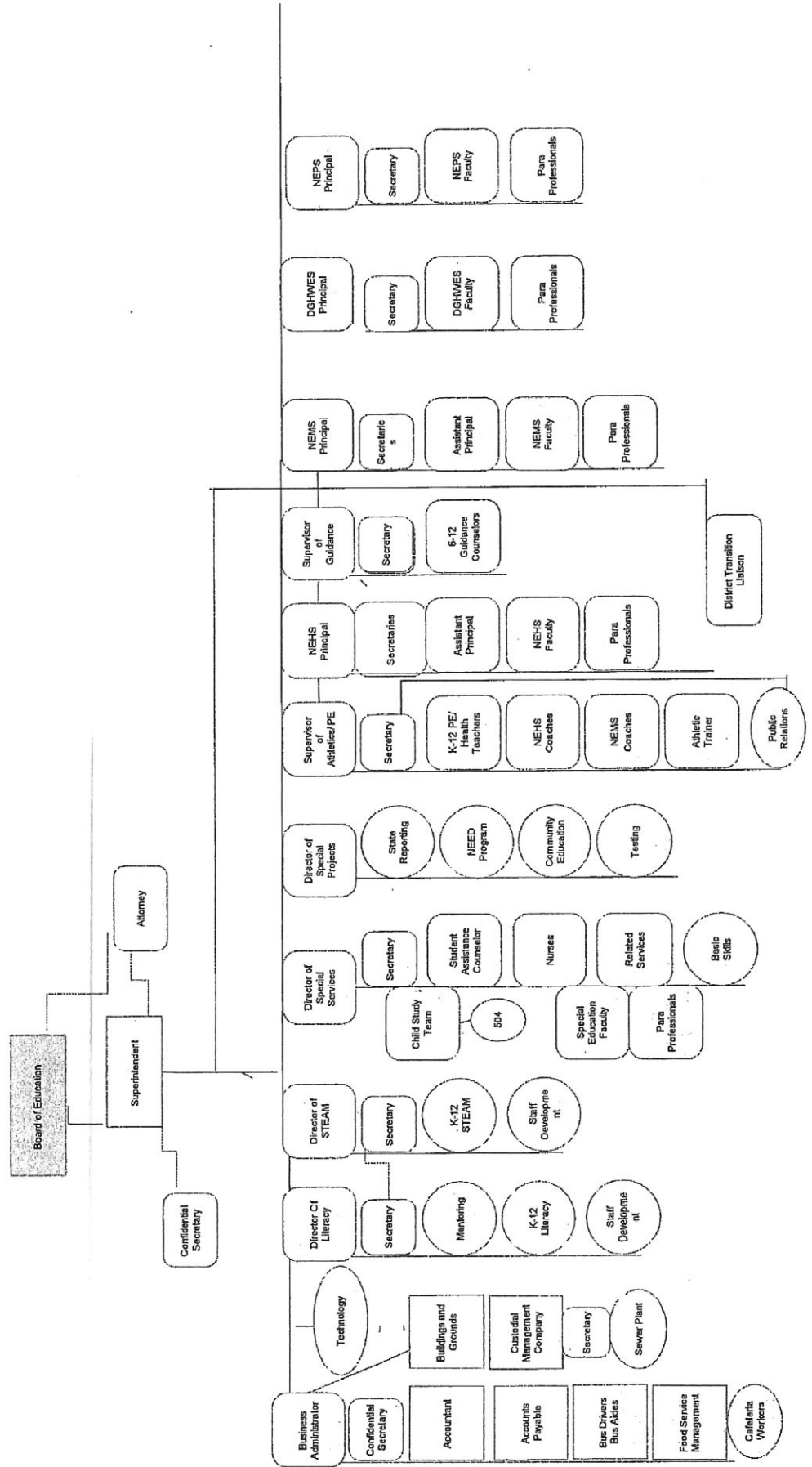


Michelle-Halperin-Krain
Acting Superintendent of Schools



Sean Gately
School Business Administrator/
Board Secretary

Plumsted Township School District



**PLUMSTED TOWNSHIP SCHOOL DISTRICT
Plumsted, New Jersey**

ROSTER OF OFFICIALS

JUNE 30, 2020

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

S. Justin Burnett, President

December 31, 2020

Sandra Soles, Vice President

December 31, 2022

Robert Kudrick

December 31, 2021

Susan Potter

December 31, 2020

Monica Sempervive

December 31, 2021

Leslie Septor

December 31, 2022

Larry Witham

December 31, 2021

OTHER OFFICIALS

Gerald North, Superintendent

Sean Gately, Business Administrator

Stein & Supsie, Board Attorney

Frank J. Frazee, Treasurer

PLUMSTED TOWNSHIP SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

AUDIT FIRM

**Holman Frenia Allison, P. C.
680 Hooper Avenue Building B, Suite 201
Toms River, New Jersey 08753**

ATTORNEY

**Stein & Supsie, P.C.
1041 West Lacey Road
PO Box 1070
Forked River, NJ 08731**

BOND COUNSEL

**McManimon Scotland & Baumann, LLC
75 Livingston Avenue
Roseland, NJ 07068**

OFFICIAL DEPOSITORY

**TD Bank
1701 Route 70 East
Cherry Hill, New Jersey 08034**

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Plumsted Township School District
County of Ocean
Plumsted, New Jersey 08533

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 Plumsted Township 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Plumsted Township 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 *Government 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 Plumsted Township 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 20, 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.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Toms River, New Jersey
January 20, 2021

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited)

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

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund, New Egypt Extended Daycare (N.E.E.D.), Community Education, and Warrior Day Camp.

Fund Financial Statements

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

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements,

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

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

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

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

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

The School District's four enterprise funds (Food Service Fund, N.E.E.D. Fund, Community Education Fund, and Warrior Day Camp Fund) are listed individually and are considered to be a major funds.

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

Notes to the Basic Financial Statements

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

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2020 compared to fiscal year 2019.

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole (continued)

Table 1
Summary of Net Position

	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 1,582,080	\$ 1,350,161	\$ 231,919	17.2%
Capital Assets, Net	26,914,034	28,389,903	(1,475,869)	-5.2%
Total Assets	<u>28,496,114</u>	<u>29,740,064</u>	<u>(1,243,950)</u>	-4.2%
Deferred Outflow of Resources	<u>1,551,178</u>	<u>1,635,735</u>	<u>(84,557)</u>	-5.2%
Current and other Liabilities	554,453	902,942	(348,489)	-38.6%
Noncurrent Liabilities	9,851,921	10,031,163	(179,242)	-1.8%
Total Liabilities	<u>10,406,374</u>	<u>10,934,105</u>	<u>(527,731)</u>	-4.8%
Deferred Inflow of Resources	<u>1,875,499</u>	<u>1,774,094</u>	<u>101,405</u>	5.7%
Net Position:				
Net Investment in Capital Assets	22,674,744	23,935,020	(1,260,276)	-5.3%
Restricted	1,145,035	1,088,401	56,634	5.2%
Unrestricted (Deficit)	(6,054,360)	(6,355,821)	301,461	-4.7%
Total Net Position	<u>\$ 17,765,419</u>	<u>\$ 18,667,600</u>	<u>\$ (902,181)</u>	-4.8%

Table 2 shows the changes in net position for fiscal year 2020 compared to fiscal year 2019.

Table 2
Summary of Changes in Net Position

	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 539,002	\$ 1,054,669	\$ (515,667)	-48.9%
Operating Grants & Contributions	7,527,804	8,224,561	(696,757)	-8.5%
General Revenues:				
Property Taxes	12,514,212	13,022,334	(508,122)	-3.9%
Federal & State Aid	12,033,349	13,499,595	(1,466,246)	-10.9%
Other General Revenues	129,694	126,420	3,274	2.6%
Special Items:				
Cancellation of Prior Year A/R	-	(1,133)	1,133	
Total Revenues	<u>32,744,061</u>	<u>35,926,446</u>	<u>(3,182,385)</u>	-8.9%

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole (continued)

Table 2
Summary of Changes in Net Position (continued)

Function/Program Expenditures:

Regular Instruction	6,487,982	6,828,675	(340,693)	-5.0%
Special Education Instruction	3,426,566	4,029,688	(603,122)	-15.0%
Other Instruction	742,502	857,409	(114,907)	-13.4%
Tuition	832,917	356,919	475,998	133.4%
Student & Instruction Related Services	3,568,419	3,173,425	394,994	12.4%
General Administrative	464,490	484,087	(19,597)	-4.0%
School Administrative Services	1,021,775	1,143,033	(121,258)	-10.6%
Central Services	380,036	405,247	(25,211)	-6.2%
Plant Operations & Maintenance	2,165,617	2,323,220	(157,603)	-6.8%
Pupil Transportation	1,325,966	1,367,071	(41,105)	-3.0%
Unallocated Benefits	10,961,300	11,885,392	(924,092)	-7.8%
Interest & Other Charges	195,893	217,130	(21,237)	-9.8%
Unallocated Depreciation	1,472,821	1,335,007	137,814	10.3%
Food Service	318,970	409,687	(90,717)	-22.1%
Community Education	34,690	42,529	(7,839)	-18.4%
N.E.E.D.	159,446	190,397	(30,951)	-16.3%
Warrior Day Camp	86,852	94,721	(7,869)	-8.3%
Total Expenditures	33,646,242	35,143,637	(1,497,395)	-4.3%
Change In Net Position	(902,181)	782,809	(1,684,990)	-215.2%
Net Position - Beginning	18,667,600	17,884,791	782,809	4.4%
Net Position - Ending	\$ 17,765,419	\$ 18,667,600	\$ (902,181)	-4.8%

Governmental Activities

During the fiscal year 2020, the net position of governmental activities decreased by \$844,849 or 4.55%.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$17,710,284, with an unrestricted deficit balance of \$6,105,204. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last 2 state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Business-type Activities

During the fiscal year 2020, the net position of business-type activities decreased by \$57,332.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$55,135.

General Fund Budgeting Highlights

Final budgeted revenues were \$23,848,037, which was equal to the original budget. Excluding nonbudgeted revenues, the School District's actual revenues were greater than budgeted revenues by \$330,014.

Final budgeted appropriations were \$24,165,642, which was an increase \$17,605 from the original budget. This increase is due to prior year encumbrances. Excluding nonbudgeted revenues, the School District's budget appropriations exceeded actual expenditures by \$663,679.

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$2,342,158 at June 30, 2020, an increase of \$605,417 from the prior year.

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$1,318,499, an increase of \$676,209 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund increase by \$676,209.

Special revenue fund – There was no change in the fund balance for the special revenue fund.

Debt service fund - There was no change in the fund balance for the debt service fund.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund decreased by \$29,159.

N.E.E.D. fund - During the current fiscal year, the net position of the School District's N.E.E.D. fund decreased by \$22,061.

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Proprietary Funds (continued)

Warrior Day Camp fund - During the current fiscal year, the net position of the School District's Warrior Day Camp fund increased by \$7,152.

Community Education fund - During the current fiscal year, the net position of the School District's Community Education fund decreased by \$12,094. The primary factor was an increase in program revenue and a increase in program expense.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2020, totaled \$26,914,034 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of \$1,475,869. This decrease is primarily due to depreciation expense during the year. Table 4 shows fiscal 2020 balances compared to 2019.

Table 3
Summary of Capital Assets

<u>Capital Assest (Net of Depreciation):</u>	<u>June 30,</u> <u>2020</u>	<u>June 30,</u> <u>2019</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
Land	\$ 1,571,070	\$ 1,571,070	\$ -	0.0%
Building and Improvements	24,445,184	25,921,053	(1,475,869)	-5.7%
Equipment	897,780	897,780	-	0.0%
	<u>\$ 26,914,034</u>	<u>\$ 28,389,903</u>	<u>\$ (1,475,869)</u>	<u>-5.2%</u>
 Depreciation Expense	 <u>\$ 1,475,869</u>	 <u>\$ 1,338,056</u>		

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$3,810,000, which is a decrease of \$400,000 from the prior year.

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Factors on the School District's Future

The District loss of state aid as a result of the enactment of the S2 legislation on July 24, 2018 continues to have a negative impact. The projected loss of state aid for the 2020-2021 school year is \$1,283,888. The state aid reduction for 2019-2020 and 2018-2019 was \$112,017 and \$798,914, respectively.

Student enrollment is projected to decline in future years and continued reductions in state aid are projected to continue through the 2024-2025 school year.

The operating budget for the 2020-2021 school year decreased by \$365,408 from \$24,165,643 to \$23,800,235. Fund balance appropriated increased from \$300,000 to \$750,000.

Long-term debt decreased by \$609,729 from 2019-2020 to 2020-2021 school year due resulting from annual principal payments and refunding of the 2010 issuance (refunding of original 2002 issuance).

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Sean Gately, School Business Administrator/Board Secretary, at the Plumsted Township School District, 131 Evergreen Road, New Egypt, New Jersey 08533.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

B. Fund Financial Statements

PLUMSTED TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Cash and Cash Equivalents	\$ 150,445	\$ 29,453	\$ 179,898
Receivables, Net (Note 4)	1,345,842	20,368	1,366,210
Inventory	-	22,667	22,667
Restricted Cash and Cash Equivalents	13,305	-	13,305
Capital Assets, Net (Note 5)			
Non-Depreciable	1,571,070	-	1,571,070
Depreciable	25,338,674	4,290	25,342,964
Total Assets	<u>28,419,336</u>	<u>76,778</u>	<u>28,496,114</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions (Note 8)	<u>1,551,178</u>	-	<u>1,551,178</u>
Total Deferred Outflow of Resources	<u>1,551,178</u>	-	<u>1,551,178</u>
Total Assets and Deferred Outflows of Resources	<u>29,970,514</u>	<u>76,778</u>	<u>30,047,292</u>
LIABILITIES			
Accounts Payable	175,199	-	175,199
Due to Other Governments	272,636	-	272,636
Unearned Revenue	15,894	21,643	37,537
Accrued Interest	69,081	-	69,081
Noncurrent Liabilities (Note 7)			
Due Within One Year	534,172	-	534,172
Due Beyond One Year	9,317,749	-	9,317,749
Total Liabilities	<u>10,384,731</u>	<u>21,643</u>	<u>10,406,374</u>
DEFERRED INFLOW OF RESOURCES			
Related to Pensions (Note 8)	<u>1,875,499</u>	-	<u>1,875,499</u>
Total Deferred Inflow of Resources	<u>1,875,499</u>	-	<u>1,875,499</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,260,230</u>	<u>21,643</u>	<u>12,281,873</u>
NET POSITION			
Net Investment In Capital Assets	22,674,744	4,290	22,679,034
Restricted for:			
Capital Projects	13,305	-	13,305
Debt Service	2	-	2
Impact Aid Reserve	1,127,437	-	1,127,437
Unrestricted (Deficit)	<u>(6,105,204)</u>	<u>50,845</u>	<u>(6,054,359)</u>
Total Net Position	<u>\$ 17,710,284</u>	<u>\$ 55,135</u>	<u>\$ 17,765,419</u>

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Governmental Activities:						
Instruction:	\$	\$	\$	\$	\$	\$
Regular Instruction	6,487,982	118,719	-	(6,369,263)	-	(6,369,263)
Special Schools Instruction	3,426,566	-	509,494	(2,917,072)	-	(2,917,072)
Other Special Instruction	742,502	-	-	(742,502)	-	(742,502)
Other Instruction	832,917	-	-	(832,917)	-	(832,917)
Support Services and Undistributed Costs:						
Instruction	525,843	-	-	(525,843)	-	(525,843)
Attendance and Social Work Services	32,282	-	-	(32,282)	-	(32,282)
Health Services	233,206	-	-	(233,206)	-	(233,206)
Other Support Services	1,933,962	-	117,836	(1,816,126)	-	(1,816,126)
Educational Media Services	99,656	-	-	(99,656)	-	(99,656)
Instructional Staff Training	151,499	-	-	(151,499)	-	(151,499)
General Administrative Services	464,490	-	-	(464,490)	-	(464,490)
School Administrative Services	1,021,775	-	-	(1,021,775)	-	(1,021,775)
Central Services	380,036	-	-	(380,036)	-	(380,036)
Technology	86,657	-	-	(86,657)	-	(86,657)
Allowed Maintenance for School Facilities	167,262	-	-	(167,262)	-	(167,262)
Other Operation & Maintenance of Plant	2,498,355	-	-	(2,498,355)	-	(2,498,355)
Student Transportation Services	1,325,966	-	-	(1,325,966)	-	(1,325,966)
Unallocated Employee Benefits	10,961,300	-	6,778,130	(4,183,170)	-	(4,183,170)
Interest on Long-Term Debt and Other Charges	201,206	-	-	(201,206)	-	(201,206)
Unallocated Depreciation and Amortization	1,472,821	-	-	(1,472,821)	-	(1,472,821)
Total Government Activities	33,046,284	118,719	7,405,461	(25,522,104)	-	(25,522,104)

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Business-Type Activities:						
Food Service	318,970	167,108	122,343	-	(29,519)	(29,519)
Community Education	34,690	21,786	-	-	(12,904)	(12,904)
N.E.E.D.	159,446	137,385	-	-	(22,061)	(22,061)
Warrior Day Camp	86,852	94,004	-	-	7,152	7,152
Total Business-Type Activities	599,958	420,283	122,343	-	(57,332)	(57,332)
Total Primary Government	\$ 33,646,242	\$ 539,002	\$ 7,527,804	(25,522,104)	(57,332)	(25,579,436)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				11,967,081	-	11,967,081
Property Taxes, Levied for Debt Service				547,131	-	547,131
Federal & State Aid Not Restricted				12,033,349	-	12,033,349
Miscellaneous Income				129,694	-	129,694
Total General Revenues, Special Items, Extraordinary Items & Transfers				24,677,255	-	24,677,255
Change in Net Position				(844,849)	(57,332)	(902,181)
Net Position - Beginning				18,555,133	112,467	18,667,600
Net Position - Ending				\$ 17,710,284	\$ 55,135	\$ 17,765,419

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

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B. Fund Financial Statements

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Governmental Funds

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

ASSETS	GENERAL	SPECIAL REVENUE	DEBT SERVICE FUND	TOTALS
Cash and Cash Equivalents	\$ 672,266	\$ -	\$ -	\$ 672,266
Receivables, Net:				
Receivables From Other Governments:				
State	242,328	-	-	242,328
Federal	-	106,166	-	106,166
Other Receivables	565,348	-	432,000	997,348
Restricted Cash and Cash Equivalents	13,305	-	-	13,305
Total Assets	\$ 1,493,247	\$ 106,166	\$ 432,000	\$ 2,031,413
LIABILITIES & FUND BALANCES				
Liabilities:				
Cash Deficit	\$ -	\$ 89,823	\$ 431,998	\$ 521,821
Accounts Payable	174,750	449	-	175,199
Unearned Revenue	-	15,894	-	15,894
Total Liabilities	174,750	106,166	431,998	712,914
Fund Balances:				
Restricted:				
Capital Reserve	13,305	-	-	13,305
Debt Service	-	-	2	2
Reserve for Impact Aid	902,437	-	-	902,437
Reserve for Impact Aid - Designated for Subsequent Year's Expenditures	225,000	-	-	225,000
Assigned:				
Designated for Subsequent Year's Expenditures	550,000	-	-	550,000
Other Purposes - Year-End Encumbrances	25,407	-	-	25,407
Unassigned	(397,652)	-	-	(397,652)
Total Fund Balances	1,318,497	-	2	1,318,499
Total Liabilities and Fund Balances	\$ 1,493,247	\$ 106,166	\$ 432,000	
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 governmental funds. The cost of the assets is \$56,566,412 and the accumulated depreciation is \$29,656,668 (Note 5).				26,909,744
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.				
Deferred outflow related to pensions				1,551,178
Deferred inflow related to pensions				(1,875,499)
Accrued interest on long-term liabilities is not due and payable in the current period and therefore is not reported as a liability in the funds.				(69,081)
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.				(272,636)
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.				(9,851,921)
Net Position of Governmental Activities				<u>\$ 17,710,284</u>

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

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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 11,967,081	\$ -	\$ 547,131	\$ 12,514,212
Tuition	118,719	-	-	118,719
Miscellaneous	129,694	8,560	-	138,254
Total Revenues - Local Sources	12,215,494	8,560	547,131	12,771,185
State Sources	15,257,485	-	-	15,257,485
Federal Sources	1,184,858	618,770	-	1,803,628
Total Revenues	28,657,837	627,330	547,131	29,832,299
Expenditures:				
Current:				
Regular Instruction	6,672,982	-	-	6,672,982
Special Education Instruction	2,917,072	509,494	-	3,426,566
Other Special Instruction	742,502	-	-	742,502
Other Instruction	802,537	-	-	802,537
Support Services and Undistributed Costs:				
Instruction	525,843	-	-	525,843
Attendance and Social Work Services	32,282	-	-	32,282
Health Services	233,206	-	-	233,206
Other Support Services	1,816,126	117,836	-	1,933,962
Educational Media Services	99,656	-	-	99,656
Instructional Staff Training	151,499	-	-	151,499
General Administrative Services	464,490	-	-	464,490
School Administrative Services	1,021,775	-	-	1,021,775
Central Services	380,036	-	-	380,036
Technology	86,657	-	-	86,657
Allowed Maintenance for School Facilities	167,262	-	-	167,262
Other Operation & Maintenance of Plant	1,998,355	-	-	1,998,355
Student Transportation Services	1,325,966	-	-	1,325,966
Unallocated Employee Benefits	4,063,717	-	-	4,063,717
On-Behalf TPAF Pension & FICA Contributions	4,408,994	-	-	4,408,994
Debt Service:				
Principal	-	-	400,000	400,000
Interest and Other Charges	70,671	-	147,131	217,802
Capital Outlay	500,000	-	-	500,000
Total Expenditures	28,481,628	627,330	547,131	29,656,090
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	176,209	-	-	176,209
Other Financing Sources/(Uses):				
Capital Lease Proceeds	500,000	-	-	500,000
Total Other Financing Sources/(Uses)	500,000	-	-	500,000
Net Change in Fund Balances	676,209	-	-	676,209
Fund Balance - July 1	642,288	-	2	642,290
Fund Balance - June 30	\$ 1,318,497	\$ -	\$ 2	\$ 1,318,499

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2)	\$ 676,209
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>	
Depreciation Expense	(1,472,821)
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>	
	(119,453)
<p>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.</p>	
	585,000
<p>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 (+).</p>	
	2,424
<p>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:</p>	
Amortization of premium on bonds	14,172
<p>In the governmental funds, Bond Proceeds & Capital Lease Proceeds are reported as an other financing source. These proceeds are liabilities and are a reduction to the reconciliation.</p>	
	(500,000)
<p>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 (+).</p>	
	(30,380)
Change in Net Position of Governmental Activities	\$ (844,849)

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

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Proprietary Funds

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PLUMSTED TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE	N.E.E.D	WARRIOR DAY CAMP	COMMUNITY EDUCATION	
Current Assets:					
Cash and Cash Equivalents	\$ -	\$ 37,408	\$ 1,097	\$ 31,102	\$ 69,607
Accounts Receivable:					
State	1,133	-	-	-	1,133
Federal	18,784	-	-	-	18,784
Other	451	-	-	-	451
Inventories	22,667	-	-	-	22,667
Total - Current Assets	43,035	37,408	1,097	31,102	112,642
Noncurrent Assets					
Equipment	294,351	-	-	-	294,351
Accumulated Depreciation	(290,061)	-	-	-	(290,061)
Total - Noncurrent Assets	4,290	-	-	-	4,290
Total Assets	47,325	37,408	1,097	31,102	116,932
LIABILITIES					
Current Liabilities:					
Cash Deficit	40,154	-	-	-	40,154
Unearned Revenue	21,643	-	-	-	21,643
Total Liabilities	61,797	-	-	-	61,797
NET POSITION					
Investment in capital assets	4,290	-	-	-	4,290
Unrestricted	(18,762)	37,408	1,097	31,102	50,845
Total Net Position	\$ (14,472)	\$ 37,408	\$ 1,097	\$ 31,102	\$ 55,135

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

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE	N.E.E.D	WARRIOR DAY CAMP	COMMUNITY EDUCATION	
Operating Revenues:					
Charges for services:					
Daily Sales - Reimbursable Programs:					
School Lunch Program	\$ 74,373	\$ -	\$ -	\$ -	\$ 74,373
Daily Sales - Non-Reimbursable Programs:					
A la Carte Sales	90,422	-	-	-	90,422
Special Functions	2,313	-	-	-	2,313
Program Fees	-	137,385	94,004	21,786	253,175
Total Operating Revenues	167,108	137,385	94,004	21,786	420,283
Operating Expenses:					
Salaries	113,069	130,952	50,793	31,239	326,053
Transportation		-	-	-	-
Support Services - Employee Benefits	17,325	16,090	3,886	-	37,301
Payroll Taxes	15,971	-	-	-	15,971
FICA	-	10,018	-	2,389	12,407
Management Fee	22,898	-	-	-	22,898
Supplies and Materials	8,448	1,118	-	568	10,134
Cost of Sales-reimbursable programs	66,767	-	-	-	66,767
Cost of Sales-non-reimbursable programs	69,492	-	-	-	69,492
Depreciation	3,049	-	-	-	3,049
Miscellaneous Expenditures	1,951	1,268	32,173	494	35,886
Total Operating Expenses	318,970	159,446	86,852	34,690	599,958
Operating Income/(Loss)	(151,862)	(22,061)	7,152	(12,904)	(179,675)
Nonoperating Revenues/(Expenses):					
State Sources:					
State School Lunch Program	3,193	-	-	-	3,193
Federal Sources:					
National School Lunch Program	74,088	-	-	-	74,088
National School Breakfast Program	16,275	-	-	-	16,275
Food Distribution Program	28,787	-	-	-	28,787
Total Nonoperating Revenues/(Expenses)	122,343	-	-	-	122,343
Change In Net Position	(29,519)	(22,061)	7,152	(12,904)	(57,332)
Total Net Position - July 1	15,047	59,469	(6,055)	44,006	112,467
Total Net Position - June 30	\$ (14,472)	\$ 37,408	\$ 1,097	\$ 31,102	\$ 55,135

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
JUNE 30, 2020

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>				TOTALS
	FOOD SERVICE	N.E.E.D	WARRIOR DAY CAMP	COMMUNITY EDUCATION	
Cash Flows From Operating Activities:					
Receipts From Customers	176,364	\$ 137,385	\$ 39,362	\$ 21,786	\$ 374,897
Payments To Employees	(129,040)	(130,952)	(50,793)	(31,239)	(342,024)
Payments To Employee Benefits	(17,325)	(16,090)	(3,886)	-	(37,301)
Payments To Suppliers	(185,143)	(14,043)	(39,560)	(6,993)	(245,739)
<hr/>					
Net Cash Provided By/(Used For)					
Operating Activities	(155,144)	(23,700)	(54,877)	(16,446)	(250,167)
<hr/>					
Cash Flows From Noncapital Financing Activities:					
Cash From Financing Activities	109,078	-	-	-	109,078
<hr/>					
Net Cash Provided By Noncapital Financing Activities	109,078	-	-	-	109,078
<hr/>					
Net (Decrease)/Increase in Cash and Cash Equivalents	(46,066)	(23,700)	(54,877)	(16,446)	(141,089)
<hr/>					
Balance - Beginning of Year	5,912	61,108	55,974	47,548	170,542
<hr/>					
Balance - End of Year	\$ (40,154)	\$ 37,408	\$ 1,097	\$ 31,102	\$ 29,453
<hr/>					
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:					
Used for Operating Activities:					
Operating Income/(Loss) Used for	\$ (151,862)	\$ (22,061)	\$ 7,152	\$ (12,904)	\$ (179,675)
Operating Activities:					
(Increase)/Decrease in Accounts Receivable	148	-	-	-	148
(Increase)/Decrease in Inventory	(15,465)	-	-	-	(15,465)
Depreciation	3,049	-	-	-	3,049
Increase/(Decrease) in Unearned Revenue	9,108	-	(54,642)	-	(45,534)
Increase/(Decrease) in Accounts Payable	(122)	(1,639)	(7,387)	(3,542)	(12,690)
<hr/>					
Total Adjustments	(3,282)	(1,639)	(62,029)	(3,542)	(70,492)
<hr/>					
Net Cash Used for Operating Activities	\$ (155,144)	\$ (23,700)	\$ (54,877)	\$ (16,446)	\$ (250,167)
<hr/>					

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

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Fiduciary Fund

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

ASSETS	PRIVATE PURPOSE			TOTALS
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP	AGENCY FUNDS	
Cash and Cash Equivalents	\$ 6,233	\$ 1,656	\$ 144,074	\$ 151,963
Total Assets	6,233	1,656	144,074	151,963
LIABILITIES				
Payroll Deductions and Withholdings	-	-	480	480
Due to Employees - Flex Spending	-	-	23,152	23,152
Payable To Student Groups	-	-	120,442	120,442
Total Liabilities	-	-	144,074	144,074
NET POSITION				
Held in Trust for Unemployment Claims and Other Purposes	6,233	-	-	6,233
Reserved For Scholarships	-	1,656	-	1,656
Total Net Position	\$ 6,233	\$ 1,656	\$ -	\$ 7,889

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2020**

ADDITIONS	PRIVATE PURPOSE		TOTALS
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP	
Contributions:			
Plan Member	\$ 102,832	\$ -	\$ 102,832
Other	-	501	501
Total Additions	102,832	501	103,333
Deductions:			
Payment of Claims	117,822	-	117,822
Scholarships Awarded	-	350	350
Total Deductions	117,822	350	118,172
Change in Net Position	(14,990)	151	(14,839)
Net Position - Beginning of Year	21,223	1,505	22,728
Net Position - End of Year	\$ 6,233	\$ 1,656	\$ 7,889

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies

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

Reporting Entity

The Plumsted Township Public School District (hereafter referred to as the ‘District’) is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the District is to educate students in grades kindergarten through twelfth. The District has an approximate enrollment at June 30, 2020 of 1,189 students.

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

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

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

Component Units

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

Government-Wide Financial Statements

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

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

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

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

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

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

Governmental Fund Financial Statements

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

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

Proprietary Fund Financial Statements

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

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

Fiduciary Fund Financial Statements

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

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

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

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

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

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

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

The District reports the following major governmental funds:

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

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

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

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

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

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

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

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

The District reports the following major proprietary funds:

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

Community Education Program – The Community Education fund accounts for the financial transactions related to the community fee-based operations to the School District.

New Egypt Extended Daycare Program – The New Egypt Extended Daycare fund accounts for the financial transactions related to fee-based daycare operations to the School District.

Warrior Day Camp Program – The Warrior Day Camp fund accounts for the financial transactions related to the fee-based summer camp operations of the School District.

Additionally, the District reports the following major fiduciary funds:

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

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

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

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

Budgets/Budgetary Control

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

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

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

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

Cash and Cash Equivalents

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

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

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

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

Tuition Payable/Receivable

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Inventories

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

Interfund Receivables/Payables

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

Capital Assets

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

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

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

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

Compensated Absences

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Fund Balance

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

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

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

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

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

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

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

Net Position

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

- Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2018:

GASB 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:

GASB Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 is effective for reporting periods beginning after December 15, 2019. Management has not yet determined the potential impact on the School District's financial statements.

GASB Statement No. 87, *Leases*. This statement establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. Management has not yet determined the potential impact on the School District's financial statements.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management does not expect this Statement to have a material impact on the School District's financial statements.

GASB Statement No. 90, *Majority Equity Interests* - an amendment of GASB Statements No. 14 and No. 61. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. GASB Statement No. 90 is effective for reporting periods beginning after December 15, 2019. Management has not yet determined the potential impact on the School District's financial statements.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

Bond Premiums, Discounts and Issuance Costs

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

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

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds 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 funds 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 District’s bank balance of \$1,191,443 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	909,567
Uninsured and Uncollateralized		281,876
		\$ 1,191,443

Investments

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

Note 3. Reserve Accounts

A. Capital Reserve

A capital reserve account was established by the School District by inclusion of \$173,833 in June 2012 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 district’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *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:

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2020**

Note 3. Reserve Accounts (continued):

A. Capital Reserve (continued):

Beginning Balance, July 1, 2019	\$ <u>13,305</u>
Ending Balance, June 30, 2020	\$ <u><u>13,305</u></u>

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

B. Federal Impact Aid Reserve

The School District receives a large portion of its annual operating revenue from Federal Impact Aid. As permitted by P.L.2015, c.46 which amended N.J.S.A. 18A:7F-41 a federal impact reserve account was established by the Board of Education by board resolution for the amount of federal impact aid funds received during the current fiscal year for use as general fund expenditures in subsequent fiscal years. The federal impact aid general reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Transfers to the impact aid reserves shall not exceed the total amount of federal impact aid received, by federally designated category, i.e. general fund or capital, in the fiscal year. The board, at its discretion, may use the funds in the reserve accounts to finance the School District's general fund, in a manner consistent with federal law. The total amount of funds on deposit in the reserve account shall not be limited.

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

Beginning Balance, July 1, 2019	\$ 962,626
Increased by:	
Deposits approved by Board	<u>164,811</u>
Ending Balance, June 30, 2020	\$ <u><u>1,127,437</u></u>

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 4. Accounts Receivable

Accounts receivable at June 30, 2020 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>		
	General	Special	Debt	Total	Food Service	Total
	<u>Fund</u>	<u>Revenue</u>	<u>Service</u>	<u>Governmental</u>	<u>Fund</u>	<u>Business-Type</u>
			<u>Activities</u>		<u>Activities</u>	
Federal Awards	\$ -	\$ 106,166	\$ -	\$ 106,166	\$ 18,784	\$ 18,784
State Awards	242,328	-	-	242,328	1,133	1,133
Other	565,348	-	432,000	997,348	451	451
Total	\$807,676	\$ 106,166	\$432,000	\$ 1,345,842	\$ 20,368	\$ 20,368

Note 5. Capital Assets

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

	Balance July 1, <u>2019</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	Balance June 30, <u>2020</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,571,070	\$ -	\$ -	\$ 1,571,070
Total Capital Assets not being depreciated	1,571,070	-	-	1,571,070
Capital Assets being depreciated:				
Buildings and Improvements	50,829,434	-	-	50,829,434
Equipment	4,165,908	-	-	4,165,908
Total Capital Assets being depreciated	54,995,342	-	-	54,995,342
Less: Accumulated Depreciation:				
Buildings, Improvements & Equipment	(28,183,847)	(1,472,821)	-	(29,656,668)
Total Accumulated Depreciation	(28,183,847)	(1,472,821)	-	(29,656,668)
Total Capital Assets being depreciated, net	26,811,495	(1,472,821)	-	25,338,674
Total Governmental Activities Capital Assets, net	\$ 28,382,565	\$ (1,472,821)	\$ -	\$ 26,909,744

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 5. Capital Assets (continued):

	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements and Transfers	Balance June 30, <u>2020</u>
Business-Type Activities:				
Machinery & Equipment	\$ 294,351	\$ -	\$ -	\$ 294,351
	<u>294,351</u>	<u>-</u>	<u>-</u>	<u>294,351</u>
Less: Accumulated Depreciation:				
Machinery & Equipment	(287,013)	(3,048)	-	(290,061)
	<u>(287,013)</u>	<u>(3,048)</u>	<u>-</u>	<u>(290,061)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 7,338</u>	<u>\$ (3,048)</u>	<u>\$ -</u>	<u>\$ 4,290</u>

Note 6. Interfund Receivables, Payables and Transfers

There were no individual fund receivables/payables balances at June 30, 2020

There was no interfund transfers during the year.

Note 7. Long-Term Obligations

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

	Balance <u>July 1, 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	\$ 4,210,000	\$ -	\$ 400,000	\$ 3,810,000	\$ 420,000
Capital Leases	110,000	500,000	185,000	425,000	100,000
Unamortized Bond Premium	113,373	-	14,172	99,202	14,172
Compensated Absences	437,006	30,381	-	467,386	-
Net Pension Liability	<u>5,129,781</u>	<u>3,445,725</u>	<u>3,525,172</u>	<u>5,050,334</u>	<u>-</u>
	<u>\$ 10,000,160</u>	<u>\$ 3,976,106</u>	<u>\$ 4,124,344</u>	<u>\$ 9,851,922</u>	<u>\$ 534,172</u>

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 7. Long-Term Obligations (continued):

A. Bonds Payable:

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

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

Fiscal Year Ending	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$	420,000	\$ 130,731	\$ 550,731
2022		435,000	113,631	548,631
2023		455,000	97,822	552,822
2024		465,000	83,156	548,156
2025		480,000	66,000	546,000
2026-2028		1,555,000	86,450	1,641,450
		<u>\$ 3,810,000</u>	<u>\$ 577,791</u>	<u>\$ 4,387,791</u>

B. Capital Lease Payable:

The School District is leasing capital items and equipment under capital leases. All capital leases are for terms of varying 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>	
2021		\$ 111,250
2022		113,175
2022		114,950
2023		111,650
		<u>451,025</u>
Total Minimum Lease Payments		451,025
Less: Amount Representing Interest		<u>(26,025)</u>
Present Value of Minimum Lease Payments		<u>\$ 425,000</u>

C. Bonds Authorized But Not Issued:

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 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 2019, the State's pension contribution was less than the actuarial determined amount.

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2020, the School District reported a liability of \$5,050,334 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, 2019, 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 0.0280286292%, which was an increase of 0.0019752492% 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 \$393,089 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 90,647	\$ 22,310
Changes of Assumptions	504,294	1,752,955
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	79,721
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	683,601	20,513
School Contributions Subsequent to Measurement Date	272,636	-
	\$ 1,551,178	\$ 1,875,499

\$272,636 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2019-2020 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2021 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans

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

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

Year Ending		Amount
<u>Dec 31,</u>		
2020	\$	228,770
2021		(81,965)
2022		(402,295)
2023		(66,509)
2024		<u>(2,322)</u>
	\$	<u><u>(324,321)</u></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:

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

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

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

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

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

Inflation	
Price	2.75%
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%
Mortality Rate Table	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
Period of Actuarial Experience Study upon	
which Actuarial Assumptions were	July 1, 2014 - June 30, 2018

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

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (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. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 70% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2019, calculated using the discount rate of 6.28% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
District's Proportionate Share of the Net Pension Liability	\$ 6,423,772	\$ 5,050,334	\$ 3,957,756

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

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 3,149,522,616	\$ 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	 5,050,334	 5,129,781

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

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

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2019 was \$70,356,433. 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 0.1146412758%, which was an increase of 0.0045526297% from its proportion measured as of June 30, 2018.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

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

For the fiscal year ended June 30, 2019, the State of New Jersey recognized a pension expense in the amount of \$4,149,810 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.

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

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
 Investment Rate of Return	 7.00%

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

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

Asset Class:	Target Allocation	Long-Term Expected Real Rate of Return
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. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.60% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

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

	At 1% Decrease (4.60%)	At Current Discount Rate (5.60%)	At 1% Increase (6.60%)
State's Proportionate Share of Net Pension Liability Associated with the School District	\$ 82,965,807.00	\$ 70,356,433.00	\$ 59,894,634.00

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:

	6/30/2020	6/30/2019
Collective Deferred Outflows of Resources	\$ 10,129,162,237.00	\$ 12,675,037,111.00
Collective Deferred Inflows of Resources	17,736,240,054.00	3,720,032,991.00
Collective Net Pension Liability	61,519,112,443.00	63,806,350,466.00
School District's portion	0.11464%	0.11009%

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- B.** State or local officials who are elected or appointed on or after July 1, 2007;

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued):

C. Defined Contribution Plan (DCRP) (continued)

- C. 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;
- D. 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;
- E. 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 2020 is \$8,400 and is subject to adjustment in future years.
- F. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

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

For the year ended June 30, 2020, employee contributions totaled \$4,055 and the District recognized pension expense of \$2,991.

Note 9. 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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 9. Post-Retirement Benefits (continued):

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.

Total Nonemployer OPEB Liability

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

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

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

Note 9. Post-Retirement Benefits (continued):

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

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$40,928,855. 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 0.09808233%, which was an increase of 0.00419336% 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 \$1,774,575 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.

Healthcare Trend Assumptions

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

Discount Rate

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

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 9. Post-Retirement Benefits (continued):

	June 30, 2019		
	At 1% Decrease (2.5%)	At Discount Rate (3.5%)	At 1% Increase (4.5%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 48,353,152	\$ 40,928,855	\$ 35,031,401
State of New Jersey's Total Nonemployer OPEB Liability	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

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

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

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 33,723,552	\$ 40,928,855	\$ 50,467,196
State of New Jersey's Total Nonemployer OPEB Liability	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 9. Post-Retirement Benefits (continued):

Additional Information

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

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

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 a deferred outflow of resources, but are not amortized in expense.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 9. Post-Retirement Benefits (continued):

Plan Membership

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

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

Total OPEB Liability

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

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2020, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$2,593,214, \$962,035, \$853,343 and \$1,858, respectively.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 11. Risk Management

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

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

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ 102,832	\$ 117,822	\$ 6,233
2018-2019	77,423	64,128	21,223
2017-2018	44,916	45,383	7,928

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

Property – Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Workers’ Compensation
School Board Legal Liability	Excess Liability
Employers Liability	Comprehensive Crime Coverage

Note 12. Contingencies

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

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

Note 13. Economic Dependency

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Note 14. Deferred Compensation

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

Lincoln Investment
Equitable
Metropolitan Life

Note 15. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2020 is \$467,386.

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

Note 16. Tax Abatements

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

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

Note 16. Tax Abatements (continued):

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

Note 17. Commitments

The School District has contractual commitments at June 30, 2020 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$25,407.

Note 18. 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 \$-0-.

Note 19. Fund Balance

General Fund – Of the \$1,318,497 General Fund fund balance at June 30, 2020, \$13,305 has been restricted in the Capital Reserve Account; \$902,437 has been restricted for the Federal Impact Aid Reserve Account; \$25,407 has been assigned to other purposes; \$225,000 has been assigned and included as anticipated revenue for the year ending June 30, 2021 and \$(397,652) has been unassigned.

Debt Service Fund – Of the \$2 Debt Service Fund fund balance at June 30, 2020, \$2 is restricted for future debt service payments.

Note 20. Deficit Fund Balances

Pursuant to N.J.S.A 18A:22-44.2 any negative unassigned fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the fund statements (modified accrual basis) of \$397,652 is less than the last state aid payment

Note 21. Deficit in Net Position

Unrestricted Net Position – The School District's governmental activities had a deficit in unrestricted net position in the amount of \$6,105,204. The primary causes of the deficit are 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 Employees' 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.

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

Note 22. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and January 20, 2021, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

During the year ended June 30, 2020, an outbreak of a novel coronavirus (COVID-19) spread throughout the United States. Although the effects of COVID-19 are still on-going as of the date of this report, the School District has indicated that the School District does not expect COVID-19 to have a material impact on its financial position due to the changing global economic conditions as a result of COVID-19.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
REVENUES						
Local Sources:						
Local Tax Levy	10-1210	\$ 11,967,081	\$ -	\$ 11,967,081	\$ 11,967,081	\$ -
Tuition - From Individuals	10-1310	140,000	-	140,000	118,719	(21,281)
Unrestricted Miscellaneous Revenues	10-1XXX	125,000	-	125,000	129,694	4,694
Total Local Sources		12,232,081	-	12,232,081	12,215,494	(16,587)
State Sources:						
School Choice Aid	10-3116	208,326	-	208,326	208,326	-
Categorical Special Education Aid	10-3132	975,623	-	975,623	975,623	-
Equalization Aid	10-3176	9,373,592	-	9,373,592	9,373,592	-
Security Aid	10-3177	23,602	-	23,602	23,602	-
Extraordinary Aid	10-3131	-	-	-	196,556	196,556
TPAF Normal Contributions (On-Behalf - Non-Budgeted)		-	-	-	2,593,214	2,593,214
TPAF Post-Retirement Medical (On-Behalf - Non-Budgeted)		-	-	-	962,035	962,035
TPAF LTDI (On-Behalf - Non-Budgeted)		-	-	-	1,858	1,858
TPAF Social Security (Reimbursed - Non-Budgeted)		-	-	-	851,887	851,887
Total State Sources		10,581,143	-	10,581,143	15,186,693	4,605,550
Federal Sources:						
Impact Aid	10-4100	980,000	-	980,000	1,144,811	164,811
Medicaid Reimbursement	10-4200	54,813	-	54,813	40,047	(14,766)
Total Federal Sources		1,034,813	-	1,034,813	1,184,858	150,045
Total Revenues		23,848,037	-	23,848,037	28,587,045	4,739,008
EXPENDITURES						
Current Expense:						
Regular Programs - Instruction:						
Kindergarten - Salaries of Teachers	11-110-100-101	269,362	7,798	277,160	276,460	700
Grades 1-5 - Salaries of Teachers	11-120-100-101	1,918,209	45,154	1,963,363	1,962,943	420
Grades 6-8 - Salaries of Teachers	11-130-100-101	1,223,842	237,385	1,461,227	1,461,227	-
Grades 9-12 - Salaries of Teachers	11-140-100-101	2,193,393	(52,357)	2,141,036	2,129,766	11,270
Regular Programs-Home Instruction:						
Salaries of Teachers	11-150-100-101	11,500	-	11,500	4,488	7,012
Purchased Professional Education Services	11-150-100-320	-	14,971	14,971	10,011	4,960
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	157,075	(46,650)	110,425	102,858	7,567
Purchased Professional - Educational Services	11-190-100-320	28,500	(18,000)	10,500	9,282	1,218
Other Purchased Services (Series 400-500)	11-190-100-500	603,124	(108,916)	494,208	492,332	1,876
General Supplies	11-190-100-610	231,201	500	231,701	223,615	8,086
Textbooks	11-190-100-640	27,321	(27,321)	-	-	-
Total Regular Programs - Instruction		6,663,527	52,564	6,716,091	6,672,982	43,109
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	496,466	20,465	516,931	516,930	1
Other Salaries for Instruction	11-212-100-106	308,195	(6,462)	301,733	301,733	-
Purchased Professional - Educational Services	11-212-100-320	25,000	(20,300)	4,700	945	3,755
General Supplies	11-212-100-610	7,250	5,246	12,496	12,488	8
Total Multiple Disabilities		836,911	(1,051)	835,860	832,096	3,764
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	2,031,519	(149,875)	1,881,644	1,877,045	4,599
General Supplies	11-213-100-610	4,500	(2,240)	2,260	2,121	139
Total Resource Room/Resource Center		2,036,019	(152,115)	1,883,904	1,879,166	4,738

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Preschool Disabilities-Part-Time:						
Salaries of Teachers	11-215-100-101	146,870	984	147,854	147,854	-
Other Salaries for Instruction	11-215-100-106	-	57,458	57,458	57,458	-
General Supplies	11-215-100-600	-	498	498	498	-
Total Preschool Disabilities-Part-Time		146,870	58,940	205,810	205,810	-
Total Special Education Instruction		3,019,800	(94,226)	2,925,574	2,917,072	8,502
Basic Skills/Remedial-Instruction:						
Salaries	11-230-100-101	636,861	36,233	673,094	672,630	464
General Supplies	11-230-100-610	1,000	(257)	743	743	-
Total Basic Skills/Remedial-Instruction		637,861	35,976	673,837	673,373	464
Bilingual Education-Instruction:						
Salaries of Teachers	11-240-100-101	96,604	(27,522)	69,082	69,082	-
General Supplies	11-240-100-610	100	-	100	47	53
Total Bilingual Education-Instruction		96,704	(27,522)	69,182	69,129	53
School-Spon. Co/Extra-curricular Activities-Instruction:						
Salaries	11-401-100-100	169,235	-	169,235	150,898	18,337
Supplies and Materials	11-401-100-600	6,650	-	6,650	2,401	4,249
Other Objects	11-401-100-800	10,400	(2,500)	7,900	4,543	3,357
Total School-Spon. Cocurricular Activities-Instruction		186,285	(2,500)	183,785	157,842	25,943
School-Spon. Athletics-Instruction:						
Salaries	11-402-100-100	549,672	7,365	557,037	551,594	5,443
Purchased Services (300-500 Series)	11-402-100-500	71,960	(26,797)	45,163	36,796	8,367
Supplies and Materials	11-402-100-600	71,875	(28,028)	43,847	43,213	634
Other Objects	11-402-100-800	16,950	(2,916)	14,034	13,092	942
Total School-Spon. Athletics-Instruction		710,457	(50,376)	660,081	644,695	15,386
Total Other Special Instructional Programs-Instruction		1,631,307	(44,422)	1,586,885	1,545,039	41,846
Total Instruction		11,314,634	(86,084)	11,228,550	11,135,093	93,457
Undistributed Expenditures-Instruction:						
Tuition to County Voc. School Dist.-Regular	11-000-100-563	58,500	(11,250)	47,250	45,750	1,500
Tuition to County Spec. Serv. & Reg. Day Schools	11-000-100-565	249,049	128,490	377,539	375,599	1,940
Tuition to Private Schools for the Disabled W/I State	11-000-100-566	61,344	13,064	74,408	52,702	21,706
Tuition to State Facilities	11-000-100-568	52,000	(208)	51,792	51,792	-
Total Undistributed Expenditures-Instruction		420,893	130,096	550,989	525,843	25,146
Attendance and Social Work Services:						
Salaries	11-000-211-100	29,633	2,650	32,283	32,282	1
Salaries of Family Liaisons	11-000-211-173	56,408	(56,408)	-	-	-
Total Attendance and Social Work Services		86,041	(53,758)	32,283	32,282	1
Undist. Expend. -Health Services:						
Salaries	11-000-213-100	200,599	2,907	203,506	200,872	2,634
Purchased Professional and Technical Services	11-000-213-300	28,000	2,188	30,188	28,795	1,393
Supplies and Materials	11-000-213-600	7,329	(2,188)	5,141	3,539	1,602
Total Undistributed Expenditures -Health Services		235,928	2,907	238,835	233,206	5,629

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		FINAL TO ACTUAL
Undist. Expend. - Speech, OT, PT & Related Services						
Salaries	11-000-216-100	331,248	(37,890)	293,358	290,433	2,925
Purchased Professional - Educational Services	11-000-216-320	195,152	(106,024)	89,128	67,436	21,692
Supplies and Materials	11-000-216-600	3,000	(1,000)	2,000	629	1,371
Total Undist. Expend. - Speech, OT, PT & Related Services		529,400	(144,914)	384,486	358,498	25,988
Undist. Expend. -Other Support Services-Students-Extra Srvc:						
Salaries	11-000-217-100	125,012	15,887	140,899	118,545	22,354
Purchased Professional - Educational Services	11-000-217-320	150,000	(55,000)	95,000	88,603	6,397
Total Undist. Expend.-Other Support Services-Students-Extra Srvc		275,012	(39,113)	235,899	207,148	28,751
Undistributed Expenditures - Guidance						
Salaries of Other Professional Staff	11-000-218-104	591,117	10,079	601,196	599,630	1,566
Salaries of Secretarial and Clerical Assistants	11-000-218-105	40,719	-	40,719	40,719	-
Other Salaries	11-000-218-110	1,200	368	1,568	1,221	347
Other Purch. Prof. & Tech Svc.	11-000-218-390	16,000	-	16,000	15,752	248
Supplies and Materials	11-000-218-600	34,155	(17,542)	16,613	13,688	2,925
Total Undist. Expend. - Guidance		683,191	(7,095)	676,096	671,010	5,086
Undist. Expend. - Child Study Teams						
Salaries of Other Professional Staff	11-000-219-104	430,934	(116,510)	314,424	314,025	399
Salaries of Secretarial and Clerical Assistants	11-000-219-105	50,289	(800)	49,489	49,489	-
Purchased Professional - Educational Services	11-000-219-320	-	54,669	54,669	28,118	26,551
Other Purchased Prof. and Tech. Services	11-000-219-390	13,000	200	13,200	13,159	41
Other Purchased Services (400-500 series)	11-000-219-500	500	-	500	15	485
Supplies and Materials	11-000-219-600	3,000	760	3,760	2,329	1,431
Total Undist. Expend. - Child Study Teams		497,723	(61,681)	436,042	407,135	28,907
Undist. Expend.-Improvement of Instruction Services-						
Salaries of Supervisor of Instruction	11-000-221-102	134,410	1,864	136,274	136,274	-
Salaries of Other Professional Staff	11-000-221-104	18,000	-	18,000	13,583	4,417
Salaries of Secretarial and Clerical Assistants	11-000-221-105	28,199	(12,973)	15,226	15,225	1
Unused Vacation Payment to Terminated/Retired Staff	11-000-221-199	-	182	182	182	-
Purchased Prof - Educational Services	11-000-221-320	15,000	(4,500)	10,500	6,802	3,698
Supplies and Materials	11-000-221-600	-	1,000	1,000	269	731
Total Undist. Expend.-Improvement of Instruction Services		195,609	(14,427)	181,182	172,335	8,847
Undist. Expend.-Educational Media Services/School Library:						
Salaries	11-000-222-100	126,195	(37,657)	88,538	86,737	1,801
Supplies and Materials	11-000-222-600	23,450	(7,000)	16,450	12,919	3,531
Total Undist. Expend.-Educational Media Services/School Library		149,645	(44,657)	104,988	99,656	5,332
Undist. Expend.-Instruction Staff Training Services:						
Salaries of Supervisors of Instruction	11-000-223-102	134,410	1,864	136,274	136,274	-
Salaries of Secretarial and Clerical Assistants	11-000-223-105	27,852	(12,626)	15,226	15,225	1
Total Undist. Expend.-Instruction Staff Training Services		162,262	(10,762)	151,500	151,499	1
Undist. Expend.-Support Service-General Administration:						
Salaries	11-000-230-100	267,153	1,331	268,484	268,483	1
Legal Services	11-000-230-331	30,000	10,398	40,398	34,039	6,359
Audit Fees	11-000-230-332	28,000	-	28,000	26,615	1,385
Architectural/ Engineering Fees	11-000-230-334	10,000	10,000	20,000	9,804	10,196

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Other Purchased Professional Services	11-000-230-339	14,700	940	15,640	15,640	-
Communications/Telephone	11-000-230-530	41,900	9,182	51,082	48,512	2,570
Board of Education Other Purchased Services	11-000-230-585	-	250	250	-	250
Miscellaneous Purchased Services	11-000-230-590	42,600	275	42,875	41,769	1,106
General Supplies	11-000-230-610	2,500	675	3,175	2,948	227
Board of Education In-House Training/Meeting Supplies	11-000-230-630	500	700	1,200	580	620
Miscellaneous Expenditures	11-000-230-890	6,250	(1,940)	4,310	3,885	425
Board of Education Membership Dues and Fees	11-000-230-895	12,500	-	12,500	12,215	285
Total Undist. Expend.-Support Service-General Administration		456,103	31,811	487,914	464,490	23,424
Undist. Expend.-Support Service-School Administration:						
Salaries of Principals/Assistant Principals/Prog. Dir.	11-000-240-103	665,000	(9,149)	655,851	655,850	1
Salaries Other Professional Staff	11-000-240-104	116,900	(1,743)	115,157	115,157	-
Salaries of Secretarial and Clerical Assistants	11-000-240-105	195,412	21,771	217,183	213,018	4,165
Unused Vacation Payment to Terminated/Retired Staff	11-000-240-199	-	10,724	10,724	10,724	-
Other Purchased Services (400-500 Series)	11-000-240-500	2,000	1,350	3,350	2,800	550
Supplies and Materials	11-000-240-600	25,050	(9,500)	15,550	11,185	4,365
Other Objects	11-000-240-800	21,500	(4,299)	17,201	13,041	4,160
Total Undist. Expend.-Support Service-School Administration		1,025,862	9,154	1,035,016	1,021,775	13,241
Undist. Expend.-Central Services:						
Salaries	11-000-251-100	336,806	2,824	339,630	338,704	926
Purchased Technical Services	11-000-251-340	27,400	5,573	32,973	32,265	708
Travel - All Other	11-000-251-580	2,000	(500)	1,500	300	1,200
Supplies and Materials	11-000-251-600	3,000	5,056	8,056	6,917	1,139
Other Objects	11-000-251-890	4,500	(1,473)	3,027	1,850	1,177
Total Undist. Expend.-Central Services		373,706	11,480	385,186	380,036	5,150
Undist. Expend.-Admin. Info Technology:						
Salaries	11-000-252-100	33,525	450	33,975	33,969	6
Purchased Technical Services	11-000-252-340	22,880	23,576	46,456	32,006	14,450
Supplies and Materials	11-000-252-600	42,000	(20,000)	22,000	20,682	1,318
Total Undist. Expend.-Admin. Info. Technology		98,405	4,026	102,431	86,657	15,774
Undist. Expend.-Required Maintenance for School Facilities:						
Cleaning, Repair and Maintenance Services	11-000-261-420	106,000	33,000	139,000	115,398	23,602
General Supplies	11-000-261-610	49,500	4,700	54,200	51,864	2,336
Total Undist. Expend.-Required Maintenance for School Facilities		155,500	37,700	193,200	167,262	25,938
Undist. Expend.- Custodial Services						
Salaries	11-000-262-100	266,180	(13,748)	252,432	245,086	7,346
Unused Vacation Payment to Terminated/Retired Staff	11-000-262-199	-	1,035	1,035	1,035	-
Cleaning, Repair, and Maintenance Services	11-000-262-420	1,010,600	(33,639)	976,961	930,246	46,715
Insurance	11-000-262-520	125,500	-	125,500	124,355	1,145
General Supplies	11-000-262-610	58,000	2,432	60,432	43,475	16,957
Energy (Natural Gas)	11-000-262-621	72,000	-	72,000	52,311	19,689
Energy (Electricity)	11-000-262-622	355,000	(7,973)	347,027	318,403	28,624
Energy (Gasoline)	11-000-262-626	9,000	-	9,000	5,840	3,160
Other Objects	11-000-262-800	35,700	1,725	37,425	37,425	-
Total Undist. Expend.- Custodial Services		1,931,980	(50,168)	1,881,812	1,758,176	123,636
Undist. Expend.- Care & Upkeep of Grounds:						
Cleaning, Repair, and Maintenance Services	11-000-263-420	9,600	-	9,600	6,557	3,043
General Supplies	11-000-263-610	50,350	(13,500)	36,850	26,170	10,680
Total Undist. Expend. - Care & Upkeep of Grounds		59,950	(13,500)	46,450	32,727	13,723

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			POSITIVE/ (NEGATIVE)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Undist. Expend.- Security:						
Salaries	11-000-266-100	159,610	41,353	200,963	196,992	3,971
Travel - All Other	11-000-266-580	-	100	100	100	-
General Supplies	11-000-266-610	6,000	8,127	14,127	10,360	3,767
Total Undist. Expend. - Security		165,610	49,580	215,190	207,452	7,738
Total Undist. Expend. - Other Oper. & Maintenance of Plant		2,313,040	23,612	2,336,652	2,165,617	171,035
Undist. Expend.-Student Transportation Services:						
Salaries for Non-Instructional Aids	11-000-270-107	16,300	(4,300)	12,000	5,939	6,061
Salaries for Pupil Transportation (Bet. Home and School)-Reg.	11-000-270-160	19,438	1,240	20,678	20,678	-
Salaries for Pupil Trans. (Bet. Home and School)-Spec.Ed.	11-000-270-161	32,063	3,327	35,390	35,390	-
Other Purchased Professional & Technical Services	11-000-270-390	71,450	23,998	95,448	95,448	-
Cleaning, Repair and Maintenance Services	11-000-270-420	18,800	(4,132)	14,668	8,833	5,835
Contract Services-AIL Payments-Non Public Charter Sch.	11-000-270-503	16,000	5,000	21,000	12,952	8,048
Contract Services (Aid-In-Lieu)-Choice Students	11-000-270-505	30,000	(1,500)	28,500	18,676	9,824
Contract Services (Between Home & School)-Vendors	11-000-270-511	602,000	8,571	610,571	572,109	38,462
Contract Services (Other Than Bet. Home & School)-Vendors	11-000-270-512	87,800	2,217	90,017	56,519	33,498
Contract Services (Special Education)-Vendors	11-000-270-514	369,000	149,435	518,435	494,008	24,427
Miscellaneous Purchased Services-Transportation	11-000-270-593	800	-	800	38	762
Fuel Expenses offset by Adv.	11-000-270-626	12,200	-	12,200	4,327	7,873
Other Objects	11-000-270-800	5,200	(3,500)	1,700	1,049	651
Total Undist. Expend.-Student Transportation Services		1,281,051	180,356	1,461,407	1,325,966	135,441
Unallocated Benefits - Employee Benefits						
Social Security Contributions	11-000-291-220	232,000	(19,696)	212,304	212,304	-
Other Retirement Contributions-PERS	11-000-291-241	305,000	(31,010)	273,990	273,990	-
Other Retirement Contributions-Regular	11-000-291-249	4,200	(1,214)	2,986	2,986	-
Unemployment Compensation	11-000-291-250	50,000	25,000	75,000	75,000	-
Workman's Compensation	11-000-291-260	155,000	2,788	157,788	157,788	-
Health Benefits	11-000-291-270	2,865,660	139,631	3,005,291	3,005,291	-
Tuition Reimbursement	11-000-291-280	20,000	(5,553)	14,447	13,518	929
Other Employee Benefits	11-000-291-290	323,000	(30,764)	292,236	291,368	868
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	24,000	7,472	31,472	31,472	-
Total Undist. Expend.-Benefits		3,978,860	86,654	4,065,514	4,063,717	1,797
On-Behalf TPAF Normal Contributions (Non-Budgeted)		-	-	-	2,593,214	(2,593,214)
On-Behalf TPAF Post-Retirement Medical (Non-Budgeted)		-	-	-	962,035	(962,035)
On-Behalf TPAF LTDI (Non-Budgeted)		-	-	-	1,858	(1,858)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)		-	-	-	851,887	(851,887)
Total On-Behalf Contributions		-	-	-	4,408,994	(4,408,994)
Total Personal Services-Employee Benefits		3,978,860	86,654	4,065,514	8,472,711	(4,407,197)
Total Undistributed Expenditures		12,762,731	103,689	12,866,420	16,775,864	(3,909,444)
Total Current Expense		24,077,365	17,605	24,094,970	27,910,957	(3,815,987)

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Facilities Acquisition and Construction Services:						
Assessment for Debt Service on SDA Funding	12-000-400-896	70,672	-	70,672	70,671	1
Total Facilities Acquisition and Construction Services		70,672	-	70,672	70,671	1
Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	500,000	(500,000)
Total Capital Outlay		70,672	-	70,672	570,671	(499,999)
Total Expenditures		24,148,037	17,605	24,165,642	28,481,628	(4,315,986)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(300,000)	(17,605)	(317,605)	105,417	423,022
Other Financing Sources/(Uses):						
Capital Lease Proceeds (Nonbudgeted)		-	-	-	500,000	(500,000)
Total other Financing Sources/(Uses):		-	-	-	500,000	(500,000)
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses		(300,000)	(17,605)	(317,605)	605,417	(923,022)
Fund Balances, July 1		1,736,741	-	1,736,741	1,736,741	-
Fund Balances, June 30		\$ 1,436,741	\$ (17,605)	\$ 1,419,136	\$ 2,342,158	\$ 923,022

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Encumbrances	\$ 17,605
Total	<u>\$ 17,605</u>

RECAPITULATION OF FUND BALANCE:

Restricted for:		
Capital Reserve		\$ 13,305
Reserve for Impact Aid		902,437
Reserve for Impact Aid - Designated for Subsequent Year's Expenditures		225,000
Assigned:		
Year-End Encumbrances		25,407
Designated for Subsequent Year's Expenditures		550,000
Unassigned		<u>626,009</u>
Subtotal		2,342,158
Reconciliation to Governmental Funds Statements (GAAP):		
Last State Aid Payments Not Recognized on GAAP Basis		<u>(1,023,661)</u>
Fund Balance per Governmental Funds (GAAP)		<u>\$ 1,318,497</u>

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2020**

	JUNE 30, 2020				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES:					
Local Sources	\$ -	\$ 14,216	\$ 14,216	\$ 8,560	\$ (5,656)
Federal Sources	510,430	186,928	697,358	618,770	(78,588)
Total Revenues	510,430	201,144	711,574	627,330	(84,244)
EXPENDITURES:					
Instruction:					
Salaries	259,150	(114,174)	144,976	109,199	35,777
Tuition	251,280	83,986	335,266	328,836	6,430
General Supplies	-	84,391	84,391	71,459	12,932
Total Instruction	510,430	54,203	564,633	509,494	55,139
Support Services:					
Other Salaries	-	19,388	19,388	16,297	3,091
Employee Benefits	-	21,582	21,582	9,594	11,988
Purchased Professional Educational Services	-	73,117	73,117	65,802	7,315
Other Purchased Services (400-500 Series)	-	17,191	17,191	11,191	6,000
Supplies and Materials	-	15,663	15,663	14,952	711
Total Support Services	-	146,941	146,941	117,836	29,105
Total Expenditures	510,430	201,144	711,574	627,330	84,244
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

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

	GENERAL FUND	SPECIAL REVENUE FUND
SOURCES/INFLOWS OF RESOURCES		
Actual amounts (budgetary) “revenues” from the Budgetary Comparison Schedules	\$ 28,587,045	\$ 627,330
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 Encumbrances - Local		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,094,453	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,023,661)</u>	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 28,657,837</u>	<u>\$ 627,330</u>
USES/OUTFLOWS OF RESOURCES		
Actual amounts (budgetary basis) “total outflows” from the Budgetary Comparison Schedule	\$ 28,481,628	\$ 627,330
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 Encumbrances - Local	<u>-</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 28,481,628</u>	<u>\$ 627,330</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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**PLUMSTED TOWNSHIP 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	0.02803%	0.02605%	0.02440%	0.02412%	0.02315%	0.02352%	0.02441%
School District's proportionate share of the net pension liability	\$ 5,050,334	\$ 5,129,781	\$ 5,680,610	\$ 7,143,631	\$ 5,197,444	\$ 4,403,440	\$ 4,665,430
School District's covered payroll	\$ 1,812,628	\$ 1,930,578	\$ 1,762,152	\$ 1,630,839	\$ 1,452,025	\$ 1,402,008	\$ 1,526,365
School District's proportionate share of the net pension liability as a percentage of its covered payroll	278.62%	265.71%	322.37%	438.03%	357.94%	314.08%	305.66%
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.

**PLUMSTED TOWNSHIP 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	\$ 272,636	\$ 259,147	\$ 226,067	\$ 214,278	\$ 199,056	\$ 193,889	\$ 183,932
Contributions in relation to the contractually required contribution	272,636	259,147	226,067	214,278	199,056	193,889	183,932
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 1,650,942	\$ 1,812,628	\$ 1,930,578	\$ 1,762,152	\$ 1,630,839	\$ 1,452,025	\$ 1,402,008
Contributions as a percentage of covered payroll	16.51%	14.30%	11.71%	12.16%	12.21%	13.35%	13.12%

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.

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL 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	70,356,433	70,036,032	73,646,284	87,168,593	70,058,465	59,244,682	55,193,760
District's covered-employee payroll	\$ 11,847,774	\$ 12,501,348	\$ 11,813,356	\$ 11,312,720	\$ 11,104,989	\$ 11,100,021	\$ 10,754,490
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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M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)

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PLUMSTED TOWNSHIP 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 YEAR*

District's Total OPEB Liability	2020	2019	2018
Service Cost	\$ 2,232,605	\$ 2,382,761	\$ 2,882,249
Interest Cost	1,738,474	1,877,425	1,620,916
Differences between Expected and Actual Experiences	(5,726,310)	(5,494,652)	-
Changes of Assumptions	610,253	(4,968,087)	(7,313,472)
Contributions: Member	37,243	40,010	43,167
Gross Benefit Payments	(1,256,394)	(1,157,639)	(1,172,308)
Net Change in District's Total OPEB Liability	(2,364,129)	(7,320,182)	(3,939,448)
District's Total OPEB Liability (Beginning)	43,292,984	50,613,166	54,552,614
District's Total OPEB Liability (Ending)	\$ 40,928,855	\$ 43,292,984	\$ 50,613,166
District's Covered Employee Payroll	\$ 13,498,716	\$ 14,367,583	\$ 13,743,934
District's Net OPEB Liability as a Percentage of Payroll	303%	301%	368%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

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

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

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

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

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

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	NO CHILD LEFT BEHIND						Local Programs	Totals
	I.D.E.A. - PART B		Title I		Title II			
	Basic	Preschool	Part A	Part A	Part A	Title III		
Revenues:								
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,560	
Federal Sources	307,321	21,515	174,690	70,235	45,009	-	618,770	
Total Revenues	\$ 307,321	\$ 21,515	\$ 174,690	\$ 70,235	\$ 45,009	\$ 8,560	\$ 627,330	
Expenditures:								
Instruction:								
Salaries of Teachers	\$ -	\$ -	\$ 107,507	\$ -	\$ 1,692	\$ -	\$ 109,199	
Tuition	307,321	21,515	-	-	-	-	328,836	
General Supplies	-	-	21,211	-	41,688	8,560	71,459	
Total Instruction	307,321	21,515	128,718	-	43,380	8,560	509,494	
Support Services:								
Other Salaries	-	-	4,526	11,771	-	-	16,297	
Personal Services - Employee Benefits	-	-	8,625	900	69	-	9,594	
Purchased Professional - Educational Services	-	-	26,532	37,770	1,500	-	65,802	
Other Purchased Professional Services	-	-	-	11,191	-	-	11,191	
Supplies and Materials	-	-	6,289	8,603	60	-	14,952	
Total Support Services	-	-	45,972	70,235	1,629	-	117,836	
Total Expenditures	\$ 307,321	\$ 21,515	\$ 174,690	\$ 70,235	\$ 45,009	\$ 8,560	\$ 627,330	

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F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

(See Exhibits B-4, B-5, B-6)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

	PRIVATE PURPOSE			AGENCY		TOTALS
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP	STUDENT ACTIVITY	PAYROLL	TOTALS	
Assets:						
Cash and Cash Equivalents	\$ 6,233	\$ 1,656	\$ 120,442	\$ 23,632	\$ 151,963	
Total Assets	6,233	1,656	120,442	23,632	151,963	
Liabilities:						
Payroll Deductions and Withholdings	-	-	-	480	480	
Due to Employees - Flex Spending	-	-	-	23,152	23,152	
Due To Student Groups	-	-	120,442	-	120,442	
Total Liabilities	-	-	120,442	23,632	144,074	
Net Position:						
Held in Trust for Unemployment	6,233	-	-	-	6,233	
Claims and Other Purposes	-	1,656	-	-	1,656	
Reserved for Scholarships	-	-	-	-	-	
Total Net Position	\$ 6,233	\$ 1,656	\$ -	\$ -	\$ 7,889	

PLUMSTED TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	PRIVATE PURPOSE		
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP	TOTALS
Additions:			
Contributions:			
Plan Member	\$ 102,832	\$ -	\$ 102,832
Other	-	501	501
Total Additions	102,832	501	103,333
Deductions:			
Payment of Claims	117,822	-	117,822
Scholarships Awarded	-	350	350
Total Deductions	117,822	350	118,172
Change in Net Position	(14,990)	151	(14,839)
Net Position - Beginning of Year	21,223	1,505	22,728
Net Position - End of Year	\$ 6,233	\$ 1,656	\$ 7,889

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
STUDENT ACTIVITY AGENCY FUND
JUNE 30, 2020**

	BALANCE JULY 1, 2019	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2020
Primary School	\$ 992	\$ 3	\$ -	\$ 995
Elementary School	20,365	6,446	4,930	21,881
Middle School	30,914	39,301	44,435	25,780
High School	61,297	173,941	163,452	71,786
	<hr/>			
Total Assets	\$ 113,568	\$ 219,691	\$ 212,817	\$ 120,442
	<hr/>			

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
JUNE 30, 2020**

	BALANCE JULY 1, 2019	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2020
ASSETS				
Cash & Cash Equivalents	\$ 19,040	\$ 26,600,521	\$ 26,595,929	\$ 23,632
	<u>\$ 19,040</u>	<u>\$ 26,600,521</u>	<u>\$ 26,595,929</u>	<u>\$ 23,632</u>
LIABILITIES				
Payroll Deductions and Withholdings	\$ 480	\$ 16,547,828	\$ 16,547,828	\$ 480
Due to Employees - Net Payroll	-	10,009,093	10,009,093	-
Due to Employees - Flex Spending	18,560	43,600	39,008	23,152
Total Liabilities	<u>\$ 19,040</u>	<u>\$ 26,600,521</u>	<u>\$ 26,595,929</u>	<u>\$ 23,632</u>

I. Long-Term Debt

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL LONG-TERM DEBT ACCOUNT GROUP
STATEMENT OF SERIAL BONDS
JUNE 30, 2020**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS DATE	AMOUNT	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2019	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2020
Bond Refunding (2002 Bonds)	09/16/10	\$ 6,410,000	07/15/20	\$ 420,000	4.00%			
			07/15/21	435,000	4.00%			
			07/15/22	455,000	3.13%			
			07/15/23	465,000	3.25%			
			07/15/24	480,000	4.00%			
			07/15/25	500,000	3.38%			
			07/15/26	520,000	4.00%			
			07/15/27	535,000	3.50%			
						\$ 4,210,000	\$ 400,000	\$ 3,810,000
						\$ 4,210,000	\$ 400,000	\$ 3,810,000

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2020**

SERIES	DATE OF LEASE	INTEREST RATE PAYABLE	BALANCE OUSTANDING JULY 1, 2019	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	BALANCE OUSTANDING JUNE 30, 2020
Various Equipment	07/30/2015	1.76%	\$ 110,000	\$ -	\$ 110,000	\$ -
Various Equipment	10/17/2019	3.00%	-	500,000.00	75,000.00	425,000.00
			\$ 110,000	\$ 500,000	\$ 185,000	\$ 425,000

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

	JUNE 30, 2020				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 547,131	\$ -	\$ 547,131	\$ 547,131	\$ -
Total Revenues	547,131	-	547,131	547,131	-
Expenditures:					
Regular Debt Service:					
Interest and Other Charges	147,132	-	147,132	147,131	1
Redemption of Principal	400,000	-	400,000	400,000	-
Total Regular Debt Service	547,132	-	547,132	547,131	1
Total Expenditures	547,132	-	547,132	547,131	1
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	(1)	-	(1)	-	1
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1)	-	(1)	-	1
Fund Balance, July 1	2	-	2	2	-
Fund Balance, June 30	\$ 1	\$ -	\$ 1	\$ 2	\$ 1

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STATISTICAL SECTION (Unaudited)

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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. Note that the Exhibits are presented for the last ten fiscal years.

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PLUMSTED TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Government Activities:										
Net Investment in Capital Assets	\$ 16,292,793	\$ 17,021,145	\$ 17,881,220	\$ 17,590,426	\$ 19,143,862	\$ 19,949,353	\$ 21,587,623	\$ 22,830,648	\$ 23,935,020	\$ 22,674,744
Restricted	2,413,374	2,699,596	2,589,289	2,281,700	2,281,700	2,909,217	2,489,427	1,717,333	975,934	1,140,744
Unrestricted	(316,947)	750,046	969,702	(3,791,599)	(3,791,599)	(4,791,522)	(5,901,842)	(6,691,684)	(6,355,821)	(6,105,204)
Total Government Activities Net Position	\$ 18,389,220	\$ 20,470,787	\$ 21,440,211	\$ 16,080,527	\$ 17,633,963	\$ 18,067,048	\$ 18,175,208	\$ 17,856,297	\$ 18,555,133	\$ 17,710,284
Business-Type Activities:										
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,226	\$ 10,387	\$ 7,338	\$ 4,290
Unrestricted	99,233	97,700	73,986	73,557	43,582	69,256	33,587	18,107	105,129	50,845
Total Business-Type Activities Net Position	\$ 99,233	\$ 97,700	\$ 73,986	\$ 73,557	\$ 43,582	\$ 69,256	\$ 40,813	\$ 28,494	\$ 112,467	\$ 55,135
Government-wide:										
Net Investment in Capital Assets	\$ 16,292,793	\$ 17,021,145	\$ 17,881,220	\$ 17,590,426	\$ 19,143,862	\$ 19,949,353	\$ 21,594,849	\$ 22,841,035	\$ 23,942,358	\$ 22,679,034
Restricted	2,413,374	2,699,596	2,589,289	1,688,483	2,281,700	2,909,217	2,489,427	1,717,333	975,934	1,140,744
Unrestricted	(217,714)	847,746	1,043,688	1,838,538	(3,748,017)	(4,722,266)	(5,868,255)	(6,673,577)	(6,250,692)	(6,054,359)
Total Net Position	\$ 18,488,453	\$ 20,568,487	\$ 21,514,197	\$ 21,117,447	\$ 17,677,545	\$ 18,136,304	\$ 18,216,021	\$ 17,884,791	\$ 18,667,600	\$ 17,765,419

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 8,982,619	\$ 9,370,442	\$ 6,521,331	\$ 6,368,842	\$ 6,550,475	\$ 6,529,649	\$ 6,593,381	\$ 7,161,136	\$ 6,828,675	\$ 6,487,982
Special Education	4,064,433	4,117,633	3,090,988	3,048,332	3,150,910	3,238,644	3,403,458	3,501,507	3,327,134	3,426,566
Other Special Education	174,751	324,256	514,658	816,305	752,140	809,042	878,930	798,093	702,554	742,502
Other Instruction	833,931	847,081	664,130	719,124	813,288	818,864	910,248	885,239	857,409	832,917
Support Services										
Instruction	484,980	148,796	347,086	275,450	350,228	403,195	501,272	403,195	356,919	525,843
Attendance and Social Work	44,566	43,694	35,066	37,768	37,000	38,999	39,934	95,685	98,762	32,282
Health Services	280,090	291,417	282,747	299,213	317,288	307,958	305,172	304,809	302,257	233,206
Other Support Services	2,748,089	2,902,088	2,056,721	2,082,571	2,120,888	2,141,438	2,264,605	2,368,615	2,398,027	1,933,962
Educational Media Services	57,251	99,079	112,427	125,042	107,015	130,923	112,527	147,683	140,362	99,656
Instructional Staff Training	286,161	79,444	161,725	171,242	213,308	218,932	202,581	231,305	234,017	151,499
General Administration	827,947	964,878	491,168	506,042	529,169	561,081	455,600	471,806	484,097	464,490
School Administration	1,114,592	746,324	972,721	1,007,641	990,468	1,010,093	1,101,961	1,125,046	1,143,033	1,021,775
Central Services	519,170	538,356	429,552	435,842	459,107	466,013	414,892	368,802	364,987	380,036
Technology	17,442	45,967	31,080	48,459	34,645	31,966	45,733	58,461	40,260	86,657
Operations and Maintenance	3,428,403	3,514,375	1,962,243	2,038,677	2,167,789	2,598,568	2,278,737	2,249,730	2,323,220	2,665,617
Student Transportation	961,054	1,151,310	974,839	984,829	972,983	1,096,116	1,217,694	1,331,815	1,367,071	1,325,966
Special Schools	-	26,225	28,748	30,234	-	-	-	-	-	-
Unallocated Employee Benefits	-	-	6,458,946	6,063,627	8,860,215	9,995,729	4,352,571	14,175,896	11,885,382	10,961,300
On-Behalf TPAF Pension & FICA Contributions	-	-	-	-	-	-	3,130,330	-	-	-
Interest on Long-Term Debt and Other Charges	1,077,496	913,273	706,701	664,813	407,858	352,827	305,633	247,962	217,130	201,206
Unallocated Depreciation and Amortization	-	-	1,616,456	1,423,669	1,610,241	1,537,046	1,614,811	1,494,359	1,335,007	1,472,821
Total Governmental Activities Expenses	25,902,975	26,124,638	27,459,333	27,147,722	30,445,015	32,287,083	30,130,070	37,421,144	34,406,303	33,046,284
Business-Type Activities:										
Food Service	506,117	496,011	488,917	493,235	464,938	414,769	443,683	411,452	409,687	318,970
Community Education	34,787	39,799	43,378	43,392	38,002	49,711	24,384	21,158	42,529	34,690
Middle School Sports	14,577	-	-	-	-	-	-	-	-	-
N.E.E.D.	145,273	178,874	179,383	173,602	174,216	168,013	178,230	189,070	190,397	159,446
Parking	-	1,894	-	-	820	-	-	-	-	-
Warrior Day Camp	68,472	78,322	59,034	65,239	84,752	96,170	93,867	101,366	94,721	86,852
Total Business-Type Activities Expenses	769,226	794,900	770,712	775,468	762,728	728,663	740,164	723,046	737,334	599,958
Total Government-Wide Expenses	26,672,201	26,919,538	28,230,045	27,923,190	31,207,743	33,015,746	30,870,234	38,144,190	35,143,637	33,646,242
Program Revenues:										
Governmental Activities:										
Charges for Services	180,350	203,754	206,264	226,582	204,524	119,942	243,224	300,251	382,223	118,719
Operating Grants and Contributions	1,035,392	1,088,525	624,548	581,438	5,541,893	6,774,908	3,742,742	10,458,420	8,074,567	7,405,461
Total Governmental Activities Program Revenues	1,215,742	1,292,279	830,812	808,020	5,746,417	6,894,850	3,985,966	10,758,671	8,456,790	7,524,180

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-Type Activities:										
Charges for Services										
Food Service	376,713	357,520	314,118	282,090	232,414	194,743	196,644	213,282	268,624	167,108
Community Education	30,424	46,096	52,653	43,942	8,154	57,828	43,703	44,963	62,730	21,786
Middle School Sports	13,544	-	-	-	-	-	-	-	-	-
N.E.E.D.	171,769	148,517	149,617	162,853	170,656	151,758	177,936	194,851	240,757	137,385
Parking	2,810	2,400	2,645	2,610	780	-	-	-	-	-
Warrior Day Camp	56,158	83,470	61,126	80,967	88,601	100,250	88,209	70,678	100,335	94,004
Operating Grants and Contributions	136,457	140,290	156,687	187,519	213,127	161,800	196,130	164,860	149,994	122,343
Total Business-Type Activities Program Revenues	787,875	778,293	736,846	759,981	713,732	666,379	702,622	688,634	822,440	542,626
Total Government-Wide Expenses	2,003,617	2,070,572	1,567,658	1,568,001	6,460,149	7,561,229	4,688,588	11,447,305	9,279,230	8,066,806
Net (Expense)/Revenue	(24,687,233)	(24,832,359)	(26,628,521)	(26,339,702)	(24,698,598)	(25,392,233)	(26,144,104)	(26,662,473)	(25,949,513)	(25,522,104)
Governmental Activities	18,649	(16,607)	(33,866)	(15,487)	(48,996)	(62,284)	(37,542)	(34,412)	85,106	(57,332)
Business-Type Activities:										
Total Government-Wide Net Expense	(24,668,584)	(24,848,966)	(26,662,387)	(26,355,189)	(24,747,594)	(25,454,517)	(26,181,646)	(26,696,885)	(25,864,407)	(25,579,436)
General Revenues and Other changes in Net Position:										
Governmental Activities										
Property Taxes, Levied for General Purposes, Net	9,520,736	9,613,840	9,613,840	9,926,117	10,124,639	10,519,408	10,886,223	11,103,947	11,444,162	11,967,081
Property Taxes, Levied for Debt Service	1,555,037	1,409,148	1,529,044	1,613,840	1,633,246	1,599,249	1,534,474	1,579,091	1,578,172	547,131
Federal & State Aid Not Restricted	13,937,702	15,714,601	16,313,882	15,349,569	14,050,023	13,645,745	13,676,642	13,571,207	13,499,595	12,033,349
Transfer	-	-	-	8,531	-	(73,503)	-	-	-	-
Miscellaneous Income	141,788	176,337	141,179	150,430	146,193	134,419	154,925	89,317	126,420	129,694
Total Governmental Activities	25,155,263	26,913,926	27,597,945	27,048,487	25,954,101	25,825,318	26,252,264	26,343,562	26,648,349	24,677,255
Business-Type Activities:										
Transfer	-	-	-	(8,531)	-	73,503	-	-	-	-
Miscellaneous Income	-	15,074	10,152	23,590	19,021	14,455	9,099	22,093	(1,133)	-
Total Business-Type Activities	-	15,074	10,152	15,059	19,021	87,958	9,099	22,093	(1,133)	-
Total Government-Wide Net Expense	25,155,263	26,929,000	27,608,097	27,063,546	25,973,122	25,913,276	26,261,363	26,365,655	26,647,216	24,677,255
Change in Net Position										
Governmental Activities	468,030	2,081,567	969,424	708,785	1,255,503	433,085	108,160	(318,911)	698,836	(844,849)
Business-Type Activities:	18,649	(1,533)	(23,714)	(428)	(29,975)	25,674	(28,443)	(12,319)	83,973	(57,332)
Total Government-Wide	\$ 486,679	\$ 2,080,034	\$ 945,710	\$ 708,357	\$ 1,225,528	\$ 458,759	\$ 79,717	\$ (331,230)	\$ 782,809	\$ (902,181)

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Restricted	-	156,369	573,674	1,792,477	2,150,035	3,021,693	2,446,387	1,717,332	975,932	1,140,742
Assigned	1,764,128	1,915,086	1,817,870	1,438,629	1,531,641	286,910	738,300	109,933	317,605	575,407
Unassigned	-	842,225	1,258,347	433,322	(134,339)	-	(979,166)	(859,782)	(651,249)	(397,652)
Total General Fund	1,764,128	2,913,680	3,649,891	3,664,428	3,547,337	3,308,603	2,205,521	967,483	642,288	1,318,497
All Other Governmental Funds:										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, Reported In:										
Capital Projects Fund	-	-	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Restricted:										
Capital Projects Fund	206,935	163,630	182,673	447,899	(123,251)	(6,515)	43,039	-	-	-
Debt Service Fund	86,107	14,902	171	11,234	67,390	36,634	1	1	2	2
Committed:										
Capital Projects Fund	220,060	396,716	-	26,296	112,785	-	-	-	-	-
Assigned:										
Designated for Subsequent Year Expense	-	86,107	14,902	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 513,102	\$ 661,355	\$ 197,746	\$ 485,429	\$ 56,924	\$ 30,119	\$ 43,040	\$ 1	\$ 2	\$ 2

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Tax Levy	\$ 11,075,773	\$ 11,022,988	\$ 11,142,884	\$ 11,539,957	\$ 11,757,885	\$ 12,118,657	\$ 12,420,697	\$ 12,683,038	\$ 13,022,334	\$ 12,514,212
Tuition Charges	180,350	203,754	206,264	226,582	204,524	119,942	243,224	300,251	382,223	118,719
Interest Earnings	18,782	398	-	-	-	-	-	-	-	-
Miscellaneous	113,392	175,940	141,180	139,367	206,019	168,338	175,569	110,779	129,294	138,254
State Sources	13,322,988	14,048,093	14,630,944	14,380,024	15,315,158	15,323,361	15,680,505	16,155,454	16,712,909	15,257,485
Federal Sources	1,650,106	2,755,032	2,307,486	1,550,983	1,628,278	1,672,844	1,718,235	1,697,589	1,630,734	1,803,628
Total Revenues	26,361,391	28,206,205	28,428,758	27,836,913	29,111,864	29,403,142	30,238,230	30,947,111	31,877,494	29,832,299
Expenditures:										
Instruction:										
Regular	6,545,234	6,999,511	6,521,331	6,368,842	6,550,475	6,529,649	6,819,628	7,257,754	6,931,968	6,672,982
Special	2,492,765	2,577,070	3,090,988	3,048,332	3,150,910	3,238,644	3,403,458	3,501,507	3,327,134	3,426,566
Other Special	174,751	332,832	514,658	816,305	752,140	809,042	878,930	798,093	702,554	742,502
Other	652,768	625,794	664,130	719,124	813,288	818,864	910,248	885,239	857,409	802,537
Support Services and Undistributed Costs:										
Instruction	484,980	148,796	347,086	275,450	350,228	403,195	501,272	403,195	356,919	525,843
Attendance and Social Work Services	44,566	43,694	35,066	37,768	37,000	38,999	39,934	95,685	98,762	32,282
Health Services	280,090	291,417	282,747	299,213	317,288	307,958	305,172	304,809	302,257	233,206
Other Support Services	1,883,398	2,109,310	2,056,721	2,082,571	2,120,888	2,141,438	2,264,605	2,368,615	2,398,027	1,933,962
Educational Media Services	57,251	99,079	112,427	125,042	107,015	130,923	112,527	147,683	140,362	99,656
Instruction Staff Training	286,161	79,444	161,725	171,242	213,308	218,932	202,581	234,017	234,017	151,499
General Administrative Services	764,818	515,172	491,168	506,042	529,169	561,081	455,600	471,806	484,097	464,490
School Administrative Services	866,284	910,702	972,721	1,007,641	990,468	1,010,093	1,101,961	1,125,046	1,143,033	1,021,775
Central Services	392,912	430,004	429,552	435,842	459,107	466,013	414,892	368,802	364,987	380,036
Technology	15,338	44,162	31,080	48,459	34,645	31,966	45,733	58,461	40,260	86,657
Allowed Maintenance for School Facilities	119,502	173,725	234,640	185,917	248,193	218,274	178,917	126,198	152,071	167,262
Other Operations and Maintenance of Plant	1,828,140	1,853,907	1,653,884	1,852,760	1,919,596	1,921,801	2,099,820	2,083,769	2,135,300	1,998,355
Student Transportation Services	844,440	934,605	974,839	984,829	972,983	1,096,116	1,217,694	1,331,815	1,367,071	1,325,966
Unallocated Employee Benefits	5,645,954	4,070,436	6,315,132	6,015,785	6,268,696	6,478,899	3,857,577	4,117,375	4,267,471	4,063,717
On-Behalf Pension & FICA Contributions	-	-	-	-	-	-	3,130,330	3,634,070	4,248,177	4,408,994
Nonbudget Expenditures	-	1,874,506	-	-	-	-	-	-	-	-
Charter School	-	28,748	28,748	30,234	-	-	-	-	-	-
Capital Outlay	371,058	929,691	734,095	426,757	1,346,976	1,194,485	818,788	330,517	41,919	500,000
Debt Service:										
Principal	1,600,000	1,710,000	1,785,000	1,895,000	2,095,000	2,120,000	2,184,996	2,260,017	2,330,016	400,000
Interest and Other Charges	837,013	788,318	718,420	710,504	380,087	358,806	383,728	326,427	258,877	217,802
Total Expenditures	26,187,423	27,568,400	28,156,158	28,043,659	29,657,460	30,095,178	31,328,391	32,228,188	32,202,688	29,656,090
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	173,968	637,805	272,600	(206,746)	(545,596)	(692,036)	(1,090,161)	(1,281,077)	(325,194)	176,209
Other Financing Sources/(Uses):										
Bond Issue Principal	9,614	-	-	-	-	-	-	-	-	-
Proceeds of Refunding Debt	6,551,663	-	-	7,689,665	-	-	-	-	-	-
Payments To Escrow Agent	(6,551,663)	-	-	(7,597,230)	-	-	-	-	-	-
Lease Purchase Agreement	-	660,000	-	-	-	-	-	-	-	500,000
Transfers In	72,000	410,304	-	337,754	-	-	-	-	-	-
Transfers Out	(72,000)	(410,304)	-	(329,223)	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	9,614	660,000	-	100,966	-	-	-	-	-	500,000
Net Change in Fund Balances	\$ 183,582	\$ 1,297,805	\$ 272,600	\$ (105,780)	\$ (545,596)	\$ (692,036)	\$ (1,090,161)	\$ (1,281,077)	\$ (325,194)	\$ 676,209
Debt Service as a Percentage of Noncapital Expenditures	9.44%	9.38%	9.13%	9.43%	8.74%	8.58%	8.42%	8.11%	8.05%	2.12%

Source: District records
Note: Noncapital expenditures are total expenditures less Capital Outlay.

PLUMSTED TOWNSHIP 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	TUITION	RENTAL FEES	MISCELLANEOUS	PAY TO PARTICIPATE FEES
2011	18,782	180,349	-	94,285	-
2012	398	203,754	-	134,470	-
2013	-	206,264	-	80,488	-
2014	13	226,582	10,919	80,189	35,225
2015	-	204,524	-	109,476	36,547
2016	-	119,942	-	95,604	38,815
2017	-	243,224	14,374	123,824	37,371
2018	-	300,251	14,374	123,824	37,371
2019	-	382,223	17,647	72,071	36,702
2020	-	118,719	8,310	97,171	24,213

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 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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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDING JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENTS	TOTAL ASSESSED VALUE	LESS: TAX-EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE	TOTAL DIRECT SCHOOL TAX RATE
2011	26,472,800	915,523,100	52,092,800	2,057,500	57,246,700	14,072,900	3,884,600	1,071,350,400	205,584,100	-	1,071,965,400	(114,507,809)	1.006
2012	24,795,700	900,980,100	52,045,600	2,061,200	54,949,300	13,917,000	3,884,600	1,052,633,500	206,344,300	-	1,052,633,500	(157,823,704)	1.055
2013	17,279,100	669,291,000	38,214,400	2,057,100	42,871,500	10,961,000	2,963,200	783,637,300	201,050,600	-	783,637,300	36,671,916	1.469
2014	16,519,100	669,537,700	38,677,000	2,056,200	42,901,500	10,961,000	2,963,200	783,615,700	201,170,300	-	783,615,700	62,056,456	1.498
2015	15,888,600	667,254,600	40,195,000	2,068,300	42,792,500	10,961,000	2,963,200	782,123,200	202,804,300	-	783,861,029	47,739,748	1.546
2016	16,066,000	667,340,000	40,113,500	2,062,500	42,603,800	10,961,000	2,963,200	782,110,000	203,394,300	-	783,700,365	N/A	1.580
2017	16,023,800	670,606,600	39,012,700	2,010,500	42,786,300	10,961,000	2,963,200	784,364,100	203,417,700	-	784,364,100	70,460,357	1.617
2018	15,688,900	671,798,200	39,436,500	2,000,500	42,696,700	10,905,200	2,963,200	785,489,200	203,534,500	-	785,489,200	76,351,144	1.658
2019	15,840,500	673,283,600	39,943,100	1,979,000	42,668,500	10,905,200	2,963,200	784,583,100	205,900,700	-	784,583,100	907,137,357	1.596
2020	25,149,500	673,775	36,116,400	1,738,900	42,762,800	10,905,200	2,963,200	793,411,800	206,863,900	-	793,411,800	918,313,380	1.608

Source: tax.co.ocean.nj.us/tax rates/abstract rates/assessed value tax assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation.
R Reassessment (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(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	PLUMSTED TOWNSHIP SCHOOL DISTRICT	PLUMSTED TOWNSHIP	FIRE DISTRICT	OCEAN COUNTY			
2011	9,613,840	1,409,148	1,006	0.151	0.106	0.251		1.514	
2012	9,613,840	1,529,044	1,055	0.171	0.123	0.254		1.603	
2013	9,613,840	1,529,044	1,469	0.243	0.184	0.337		2.233	
2014	9,926,117	1,613,840	1,498	0.255	0.199	0.371		2.323	
2015	10,519,408	1,599,249	1,546	0.261	0.199	0.374		2.380	
2016	10,886,223	1,534,474	1,584	0.270	0.200	0.461		2.515	
2017	11,103,947	1,579,091	1,617	0.276	0.211	0.457		2.561	
2018	11,444,162	1,578,172	1,658	0.280	0.212	0.452		2.602	
2019	11,444,162	1,578,172	1,596	0.287	0.212	0.462		2.557	
2020	11,967,081	547,131	1,608	0.304	0.231	0.468		2.611	

Source: Municipal Tax Assessor

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)**

	2018			2009		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer #1	\$ 4,662,200	1	0.59%	\$ 5,411,900	1	0.50%
Taxpayer #2	4,165,900	2	0.53%	3,589,700	2	0.33%
Taxpayer #3	2,866,100	3	0.37%	2,810,400	3	0.26%
Taxpayer #4	2,740,000	4	0.35%	2,246,400	4	0.21%
Taxpayer #5	2,063,300	5	0.26%	2,214,000	5	0.20%
Taxpayer #6	1,878,200	6	0.24%	2,159,500	6	0.20%
Taxpayer #7	1,328,800	7	0.17%	2,114,300	7	0.19%
Taxpayer #8	1,250,000	8	0.16%	1,716,400	8	0.16%
Taxpayer #9	1,221,300	9	0.16%	1,694,700	9	0.16%
Taxpayer #10	1,189,000	10	0.15%	1,427,600	10	0.13%
Total	\$ 23,364,800		2.99%	\$ 25,384,900		2.34%

Source: Municipal Tax Assessor

**PLUMSTED TOWNSHIP 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 (a) AMOUNT	PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS
2011	11,075,773	10,859,773	98.05%	216,000
2012	11,022,988	10,806,988	98.04%	216,000
2013	11,142,884	10,710,884	96.12%	432,000
2014	11,539,957	11,107,957	96.26%	432,000
2015	11,757,885	11,325,885	96.33%	432,000
2016	12,118,657	11,686,657	96.44%	432,000
2017	12,420,697	12,251,038	98.63%	432,000
2018	12,683,038	12,251,038	96.59%	432,000
2019	13,022,334	12,590,334	96.59%	432,000
2020	12,514,212	12,082,212	96.55%	432,000

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

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

Debt Capacity 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 a historical view of the School District's outstanding debt and its debt capacity.

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES				BOND ANTICIPATION NOTES (BANs)	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME (a)	PER CAPITA
	GENERAL OBLIGATION BONDS (b)	CERTIFICATES OF PARTICIPATION	CAPITAL LEASES					
2011	20,415,000	-	-	-	-	20,415,000	6.1%	2,423
2012	17,660,000	-	-	-	-	17,660,000	5.2%	2,094
2013	16,920,000	-	514,785	-	-	17,434,785	5.0%	2,072
2014	14,950,000	-	794,709	-	-	15,744,709	4.4%	1,864
2015	12,855,000	-	583,463	-	-	13,438,463	3.7%	1,579
2016	10,735,000	-	786,187	-	-	11,521,187	3.0%	1,353
2017	8,630,000	-	479,944	-	-	9,109,944	2.3%	1,068
2018	6,455,000	-	298,309	-	-	6,753,309	N/A	791
2019	4,210,000	-	110,000	-	-	4,320,000	N/A	512
2020	3,810,000	-	-	-	-	3,810,000	N/A	445

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

- a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b Includes Early Retirement Incentive Plan ("ERIP") refunding and State Loans

PLUMSTED TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE (a) OF PROPERTY	PER CAPITA (b)
	GENERAL OBLIGATION BONDS (d)	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2011	20,415,000	-	20,415,000	1.90%	2,423
2012	17,660,000	-	18,705,000	1.68%	2,218
2013	16,920,000	-	16,920,000	2.16%	2,011
2014	14,950,000	-	14,950,000	1.91%	1,770
2015	12,855,000	-	12,855,000	1.64%	1,510
2016	10,735,000	-	10,735,000	1.37%	1,261
2017	8,630,000	-	8,630,000	1.10%	1,012
2018	6,455,000	-	6,455,000	0.82%	756
2019	4,210,000	-	4,210,000	0.54%	499
2020	3,810,000	-	3,810,000	0.49%	445

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

- a See Exhibit NJ J-6 for property tax data.
- b Population data can be found in Exhibit NJ J-14.
- d Includes State Loans
- R Revaluation
- N/A At the time of CAFR Completion, this data was not available

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE (a)	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt Repaid with Property Taxes:			
Plumsted Township (1)	\$ 26,988,146	100.00%	\$ 26,988,146
Ocean County General Obligation Debt (2)	450,942,968	0.83%	3,726,615
Subtotal, Overlapping Debt Plumsted Township School District			<u>30,714,761</u> <u>3,810,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 34,524,761</u></u>

Sources:

- (1) Plumsted Township Municipality's Chief Financial Officer and Annual Debt Statement - December 31, 2017
- (2) Ocean County Treasurer's Office. The County Debt was apportioned to Plumsted Township Municipality by dividing the Municipality's 2020 equalized value by the total 2020 equalized value for Ocean County , which results in an apportionment rate of .0083 *

Note:

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

a

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$ 38,373,164	\$ 36,618,916	\$ 35,046,076	\$ 33,990,534	\$ 33,385,084	\$ 33,769,267	\$ 33,769,267	\$ 34,250,290	\$ 34,604,636	\$ 23,252,433
Total Net Debt Applicable To Limit	20,415,000	18,705,000	16,920,000	14,950,000	12,855,000	10,735,000	8,630,000	6,455,000	4,210,000	3,810,000
Legal Debt Margin	\$ 17,958,164	\$ 17,913,916	\$ 18,126,076	\$ 19,040,534	\$ 20,530,084	\$ 23,034,267	\$ 25,139,267	\$ 27,795,290	\$ 30,394,636	\$ 19,442,433
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	53.20%	51.08%	48.28%	43.98%	38.51%	31.79%	25.56%	18.85%	12.17%	16.39%

Legal Debt Margin Calculation for Fiscal Year 2019

Equalized Valuation Basis

	2019	\$ 907,137,357
	2018	884,261,173
	2017	859,671,306
(A)		<u>1,743,932,479</u>
Average Equalized Valuation of Taxable Property (A/3)		581,310,826
Debt Limit (4.0% of Average Equalization Value) (B)		23,252,433
Total Net Debt Applicable To Limit (C)		<u>3,810,000</u>
Legal Debt Margin (B-C)		<u>\$ 19,442,433</u>

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

a Limit set by N.J.S.A. 18A:24-19 for a K through 12 District; other percentage limits would be applicable for other District types.

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which 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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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2011	8,426	334,899,796	39,746	9.40%
2012	8,435	336,556,500	39,900	10.10%
2013	8,415	348,885,900	41,460	8.90%
2014	8,446	358,946,554	42,499	7.70%
2015	8,511	362,338,803	42,573	N/A
2016	8,513	377,815,453	44,381	5.10%
2017	8,530	393,309,770	46,109	4.40%
2018	8,543	405,049,259	47,413	5.10%
2019	8,436	423,352,224	50,184	4.20%
2020	8,571	445,760,568	52,008	3.50%

Source:

- a Population information provided by NJ DOE
 - b Personal Income provided by the NJ DOE, state school aid notice, equalization aid
 - c Per Capita Personal Income computed using Census Bureau midyear population estimates by county 2010-2019
 - d Unemployment data provided by the NJ Department of Labor and Workforce Development.
- N/A At the time of CAFR Completion, this data was not available

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
FOR 2020 AND NINE YEARS AGO
(UNAUDITED)**

Employer	2020			2011		
	Employees	Rank (Optional)	Percentage of Total Municipal Employment	Employees	Rank (Optional)	Percentage of Total Municipal Employment
Employer #1	N/A	1	N/A	N/A	1	N/A
Employer #2	N/A	2	N/A	N/A	2	N/A
Employer #3	N/A	3	N/A	N/A	3	N/A
Employer #4	N/A	4	N/A	N/A	4	N/A
Employer #5	N/A	5	N/A	N/A	5	N/A
Employer #6	N/A	6	N/A	N/A	6	N/A
Employer #7	N/A	7	N/A	N/A	7	N/A
Employer #8	N/A	8	N/A	N/A	8	N/A
Employer #9	N/A	9	N/A	N/A	9	N/A
Employer #10	N/A	10	N/A	N/A	10	N/A

Source: Local businesses supplied the information for this schedule.
Total township employment could not be verified

N/A At the time of CAFR Completion, this data was 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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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
CURRENT YEAR AND FIVE YEARS AGO
(UNAUDITED)**

Function/Program	<u>2015</u>	<u>2020</u>
Instruction:		
Regular	87	81
Special Education	65	50.5
Basic Skills	6	11
Bilingual	1	1
Athletics		1
Support Services:		
Attendance& Social Work Services	4	1.0
Health Services	4	3
Speech, OT, PT & Related Services	7	4
Extraordinary Services (1:1 Services)	4	7
Guidance Services	11	8
Child Study Team	8	7.0
Educational Media Services	2	3
General Administration	6	6
School Administration	13	11
Central Services	6	4
Information Technology	2	2.0
Operations & Maintenance of Plant	7	9
Student Transportation Services		2
	<hr/>	<hr/>
Total	<u>233</u>	<u>211</u>

Source: District Personnel Records

**PLUMSTED TOWNSHIP 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			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						PRIMARY	ELEMENTARY	MIDDLE SCHOOL				
2011	1,740	26,672,202	15,033	4.26%	168	4	9	10	1,689	1,630	-2.26%	96.51%
2012	1,684	24,373,584	15,329	1.97%	167	7	10	11	1,616	1,561	-4.32%	96.60%
2013	1,650	24,918,642	14,474	-5.58%	168	7	9	8	1,598	1,535	-1.11%	96.06%
2014	1,543	25,011,398	15,102	4.34%	168	6	10	13	1,518	1,456	-5.01%	95.92%
2015	1,473	25,835,397	17,539	21.18%	169	10	11	12	1,488	1,401	-1.98%	94.15%
2016	1,382	26,421,887	19,119	9.00%	172	7	9	9	1,430	1,349	-3.90%	94.34%
2017	1,375	27,940,879	20,321	6.29%	166	N/A	N/A	N/A	1,376	1,303	-3.78%	94.69%
2018	1,335	29,311,227	21,956	8.05%	161	N/A	N/A	N/A	1,346	1,279	-2.18%	95.02%
2019	1,295	29,571,876	22,835	4.01%	160	N/A	N/A	N/A	1,301	1,240	-3.34%	95.31%
2020	1,189	28,538,288	24,002	9.32%	157	N/A	N/A	N/A	1,227	1,171	-8.84%	95.44%

Source: 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 - Report of Certified Staff

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

N/A At the time of CAFR Completion, this data was not available

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

DISTRICT/BUILDINGS	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
New Egypt Primary School										
Square Feet	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600
Capacity (Students)	325	325	325	325	325	325	325	325	325	325
Enrollment	172	160	208	205	192	183	195	196	218	0
Dr Gerald H. Woehr Elementary School										
Square Feet	80,680	80,680	80,680	80,680	80,680	80,680	80,680	80,680	80,680	80,680
Capacity (Students)	582	582	582	582	582	582	582	582	582	582
Enrollment	572	534	474	423	396	381	386	406	388	481
New Egypt Middle School										
Square Feet	77,600	77,600	77,600	77,600	77,600	77,600	77,600	77,600	77,600	77,600
Capacity (Students)	461	461	461	461	461	461	461	461	461	461
Enrollment	422	457	441	412	403	343	314	290	289	294
New Egypt High School										
Square Feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Capacity (Students)	537	537	537	537	537	537	537	537	537	537
Enrollment	574	533	527	503	482	499	480	444	400	336
Field House										
Square Feet	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584
New Egypt High School Barn										
Square Feet	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863
Dr. Gerald H. Woehr Elementary School Barn										
Square Feet	2,792	2,792	2,792	2,792	2,792	2,792	2,792	2,792	2,792	2,792
Concession Stand										
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Press Box										
Square Feet	144	144	144	144	144	144	144	144	144	144
Sewer Plant										
Square Feet	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Number of Schools at June 30, 2020										
Primary = 1										
Elementary = 1										
Middle = 1										
High School = 1										
Other = 6										

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions.

Enrollment is based on the annual October District count ASSA report.

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
(UNAUDITED)**

	PRIMARY SCHOOL	ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL	ELEMENTARY SCHOOL BARN	HIGH SCHOOL BARN	CONCESSION STAND	FIELD HOUSE	PRESS BOX	SEWER PLANT	TOTAL
2011	\$ 10,961	\$ 31,483	\$ 23,347	\$ 37,815	\$ -	\$ -	\$ 203	\$ 83	\$ -	\$ 33,054	\$ 136,946
2012	15,149	38,740	35,935	48,558	99	-	-	-	-	35,245	173,726
2013	36,336	43,849	61,786	51,383	-	1,734	4,711	-	-	31,143	230,942
2014	20,988	10,761	53,267	66,528	-	6,210	2,400	1,400	-	24,363	185,917
2015	36,256	34,551	62,267	85,016	-	957	2,218	508	-	26,421	248,194
2016	31,568	46,069	47,130	55,294	-	2,178	6,743	976	-	28,047	218,005
2017	24,286	37,314	42,988	51,276	-	-	-	1,750	-	21,303	178,917
2018	17,149	30,342	29,184	39,488	-	701	376	1,348	54	7,556	126,198
2019	20,939	37,048	35,633	48,535	-	855	459	1,646	66	6,890	152,071
2020	23,110	40,889	39,328	53,219	-	925	496	1,779	71	7,446	167,262
Total School Facilities	\$ 236,742	\$ 351,046	\$ 430,865	\$ 537,112	\$ 99	\$ 13,560	\$ 17,606	\$ 9,490	\$ 191	\$ 221,468	\$ 1,818,178

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

Source: District records

PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF INSURANCE
JUNE 30, 2020
(UNAUDITED)

	Coverage	Deductible
School Commercial Package Policy-Selective Way Insurance Co.		
Property-blanket building and contents	72,890,210	
boiler and machinery policy	Included in Property Limit	
Commercial general liability	2,000,000	
Commercial inland marine coverage	318,425	1,000
Electronic Information Systems Equipment and Data	1,481,700	1,000
Virus or Harmful Code	150,000	
Pipeline Distribution System	100,000	1,000
Equipment	15,000	500
Business automobile	1,000,000	
 Workers compensation and employer's liability		
NJ School Board Association.	Statutory	
Temporary Disability - NJ School Board Association	Full Salary less 7 day wait WC Benefits Period	
 School Board Legal Liability		
Selective Insurance Co.	1,000,000	5,000
 Umbrella Liability Policy		
Selective Way Insurance Co.	10,000,000	
 Student Accident - Monumental Life Insurance Company	5,000,000	25,000
 Commercial Crime Coverage		
Selective Insurance Company of America	500,000	5,000
 Surety Bonds Selective Insurance Company of America:		
Treasurer	230,000	
Business Administrator/Board Secretary	140,000	

Source: District Records

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SINGLE AUDIT 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
Plumsted Township School District
County of Ocean
Plumsted, New Jersey 08533

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 Plumsted Township School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Plumsted Township School District's basic financial statements, and have issued our report thereon dated January 20, 2021.

Internal Control Over Financial Reporting

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

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Toms River, New Jersey
January 20, 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
Plumsted School District
County of Ocean
Plumsted, New Jersey 08533

Report on Compliance for Each Major Federal and State Program

We have audited the Plumsted Township 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 Plumsted Township 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 Plumsted Township 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 Plumsted Township 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 Plumsted Township 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.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Toms River, New Jersey
January 20, 2021

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**PLUMSTED TOWNSHIP 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 6/30/2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	BALANCE, JUNE 30, 2020 (ACCOUNTS RECEIVABLE)	UNEARNED REVENUE
U.S. Department of Health and Human Services												
Medical Assistance Program												
Passed Through New Jersey Department of Human Services:												
Medicare Cluster:												
Medical Assistance Program (SEMI)	93.778	1705N5MAP	100-054-7540-211	\$ 40,047	7/1/19-6/30/20	\$ -	40,047	(40,047)	\$ -	\$ -	\$ -	\$ -
Total Medicare Cluster							40,047	(40,047)				
Total U.S. Department of Health and Human Services							40,047	(40,047)				
U.S. Department of Agriculture												
Passed Through New Jersey Department of Agriculture:												
Child Nutrition Cluster:												
School Breakfast Program	10.553	191N1304N1099	100-010-3350-028	10,104	7/1/19-6/30/20	-	8,293	(10,104)	-	-	(1,811)	-
COVID 19 - School Breakfast Program	10.553	191N1304N1099	100-010-3350-028	6,171	7/1/19-6/30/20	-	2,380	(6,171)	-	-	(3,791)	-
School Breakfast Program	10.553	181N1304N1099	100-010-3350-028	18,195	7/1/18-6/30/19	(1,175)	1,175	-	-	-	-	-
Subtotal						(1,175)	11,848	(16,275)	-	-	(5,602)	-
National School Lunch Program	10.555	191N1304N1099	100-010-3350-026	64,327	7/1/19-6/30/20	-	57,140	(64,327)	-	-	(7,187)	-
COVID 19 -National School Lunch Program	10.555	191N1304N1099	100-010-3350-026	9,761	7/1/19-6/30/20	-	3,766	(9,761)	-	-	(5,995)	-
National School Lunch Program	10.555	181N1304N1099	100-010-3350-026	100,127	7/1/18-6/30/19	(5,290)	5,290	-	-	-	-	-
Food Distribution Program (Noncash Assistance)	10.555	191N1304N1099	Unavailable	28,787	7/1/19-6/30/20	3,539	28,787	(23,964)	-	-	-	8,362
Subtotal						(1,751)	94,983	(98,052)	-	-	(13,182)	8,362
Total Child Nutrition Cluster						(2,926)	106,831	(114,327)	-	-	(18,784)	8,362
Total U.S. Department of Agriculture						(2,926)	106,831	(114,327)	-	-	(18,784)	8,362
U.S. Department of Education												
Passed Through New Jersey Department of Education:												
L.D.E.A. Part B (Special Education Cluster)												
Basic	84.027	H027A180100	100-034-5065-016	313,751	7/1/19-6/30/20	-	234,893	(307,321)	-	(215)	(72,643)	-
Basic	84.027	H027A170100	100-034-5065-016	295,615	7/1/18-6/30/19	(27,908)	27,908	-	-	-	-	-
Subtotal						(27,908)	262,801	(307,321)	-	(215)	(72,643)	-
Preschool	84.173	H173A180114	100-034-5065-020	21,515	7/1/19-6/30/20	-	12,276	(21,515)	-	-	(9,239)	-
Preschool	84.173	H173A170114	100-034-5065-020	21,245	7/1/18-6/30/19	(5,945)	5,945	-	-	-	-	-
Subtotal						(5,945)	18,221	(21,515)	-	-	(9,239)	-
Total Special Education Cluster						(33,853)	281,022	(328,836)	-	(215)	(81,882)	-
Title I - Part A	84.010	S010A180030	100-034-5064-194	235,606	7/1/19-6/30/20	-	168,918	(174,690)	-	222	(5,550)	-
Title I - Part A	84.010	S010A170030	100-034-5064-194	234,453	7/1/18-6/30/19	(36,032)	36,032	-	-	-	-	-
Subtotal						(36,032)	204,950	(174,690)	-	222	(5,550)	-
Title III, English Language Acquisition	84.365	S365A180030	100-034-5064-187	48,889	7/1/19-6/30/20	-	40,809	(45,009)	-	-	(4,200)	-
Title III, English Language Acquisition	84.365	S365A170030	100-034-5064-187	27,774	7/1/18-6/30/19	(3,679)	3,679	-	-	-	-	-
Subtotal						(3,679)	44,488	(45,009)	-	-	(4,200)	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A180029	100-034-5063-290	77,596	7/1/19-6/30/20	-	55,701	(70,235)	-	-	(14,534)	-
Title II - Part A, Supporting Effective Instruction	84.367	S367A170029	100-034-5063-290	57,920	7/1/18-6/30/19	(5,865)	5,865	-	-	-	-	-
Subtotal						(5,865)	61,566	(70,235)	-	-	(14,534)	-
Direct Award:												
Impact Aid	84.041	Unavailable	N/A - Direct	1,144,811	7/1/19-6/30/20	-	1,144,811	(1,144,811)	-	-	-	-
Total U.S. Department of Education						(79,429)	1,736,837	(1,763,581)	-	7	(106,166)	-
Total Expenditures of Federal Awards						\$ (82,355)	\$ 1,883,715	\$ (1,917,955)	\$ -	7	\$ (124,950)	\$ 8,362

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE JUNE 30, 2020 ACCOUNTS RECEIVABLE	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<u>New Jersey Department of Education:</u>										
General Fund:										
State Aid Public:										
School Choice Aid	495-034-5120-068	\$ 208,326	7/1/19-6/30/20	\$ -	\$ 208,326	\$ (208,326)	-	\$ -	\$ 20,154	\$ 208,326
Equalization Aid	495-034-5120-078	9,373,592	7/1/19-6/30/20	-	9,373,592	(9,373,592)	-	-	906,838	9,373,592
Special Education Categorical Aid	495-034-5120-089	975,623	7/1/19-6/30/20	-	975,623	(975,623)	-	-	94,386	975,623
Security Aid	495-034-5120-084	23,602	7/1/19-6/30/20	-	23,602	(23,602)	-	-	2,283	23,602
Total State Aid Public				-	10,581,143	(10,581,143)	-	-	1,023,661	10,581,143
Additional Nonpublic School Transportation Aid	495-034-5120-014	5,800	7/1/18-6/30/19	(5,800)	5,800	-	-	-	-	5,800
Extraordinary Aid	495-034-5120-044	196,556	7/1/19-6/30/20	-	-	(196,556)	-	(196,556)	-	196,556
Extraordinary Aid	495-034-5120-044	184,808	7/1/18-6/30/19	(184,808)	184,808	-	-	-	-	184,808
Reimbursed TPAF Social Security Contributions	100-034-5094-003	851,887	7/1/19-6/30/20	-	809,810	(851,887)	-	(42,077)	-	851,887
Reimbursed TPAF Social Security Contributions	100-034-5094-003	900,026	7/1/18-6/30/19	(43,533)	43,533	-	-	-	-	900,026
TPAF - Post Retirement										
Medical (Noncash Assistance)	495-034-5094-001	962,035	7/1/19-6/30/20	-	962,035	(962,035)	-	-	-	962,035
TPAF - Pension										
Contributions (Noncash Assistance)	495-034-5094-002	2,593,214	7/1/19-6/30/20	-	2,593,214	(2,593,214)	-	-	-	2,593,214
TPAF - Long-Term Disability										
Insurance (Noncash Assistance)	495-034-5094-004	1,858	7/1/19-6/30/20	-	1,858	(1,858)	-	-	-	1,858
Total General Fund				(234,141)	15,182,201	(15,186,693)	-	(238,633)	1,023,661	16,277,327
<u>New Jersey Department of Agriculture:</u>										
Enterprise Fund:										
National School Lunch Program	100-010-3350-023	3,193	7/1/19-6/30/20	-	2,059	(3,193)	-	(1,134)	-	3,193
National School Lunch Program	100-010-3350-023	3,440	7/1/18-6/30/19	(188)	188	-	-	-	-	3,440
Total Enterprise Fund				(188)	2,247	(3,193)	-	(1,134)	-	6,633
Total Expenditures of State Financial Assistance				\$ (234,329)	\$ 15,184,448	\$ (15,189,886)	\$ -	\$ (239,767)	\$ 1,023,661	\$ 16,631,908
State Financial Assistance Programs not subject to Calculation for Major Program Determination:										
TPAF - Post Retirement										
Medical (Noncash Assistance)	495-034-5094-001	\$ 962,035	7/1/19-6/30/20	-	-	\$ 962,035	-	-	-	-
TPAF - Pension										
Contributions (Noncash Assistance)	495-034-5094-002	2,593,214	7/1/19-6/30/20	-	-	2,593,214	-	-	-	-
TPAF - Long-Term Disability										
Insurance (Noncash Assistance)	495-034-5094-004	1,858	7/1/19-6/30/20	-	-	1,858	-	-	-	-
Total State Financial Assistance subject to Calculation for Major Program Determination									\$	<u>(11,632,779)</u>

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

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

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

Note 3. Relationship to Basic Financial Statements

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

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

Note 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$70,792 for the general fund and \$-0- 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	\$ 1,184,858	\$ 15,257,485	\$ 16,442,343
Special Revenue Fund	618,770	-	618,770
Food Service Fund	114,327	3,193	117,520
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,917,955</u>	<u>\$ 15,260,678</u>	<u>\$ 17,178,633</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 Plumsted Township School District had no loan balances outstanding at June 30, 2020.

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

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____ 84.041 _____	_____ S041B143114 _____	_____ Impact Aid _____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs	<u>\$ 750,000</u>
--	-------------------

Auditee qualified as low-risk auditee?	<u> X </u> yes	_____ no
--	------------------	----------

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

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

State Financial Assistance

Dollar threshold used to determine Type A programs _____ \$ 750,000 _____

Auditee qualified as low-risk auditee? X yes no

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
_____ 100-034-5094-003 _____	_____ Reimbursed TPAF Social Security _____
_____ 495-034-5120-068 _____	_____ State Aid Public: _____
_____ 495-034-5120-078 _____	_____ School Choice Aid _____
_____ 495-034-5120-089 _____	_____ Equalization Aid _____
_____ 495-034-5120-084 _____	_____ Special Education Aid _____
	_____ Security Aid _____

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

Section II – Financial Statement Findings

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

None.

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

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None

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

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.