

# **Annual Comprehensive Financial Report**

**of the**

**Township of Jackson School District**

**County of Ocean**

**Jackson, New Jersey**

**For the Fiscal Year Ended June 30, 2021**

**Prepared by**

**Jackson Township, Board of Education  
Finance Department**



## TABLE OF CONTENTS

	<b>PAGE</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	1-4
Roster of Officials	5
Consultants and Advisors	6
Organizational Chart	7
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	8-10
<b>REQUIRED SUPPLEMENTARY INFORMATION - Part I</b>	11
Management's Discussion and Analysis (Unaudited)	12-22
<b>BASIC FINANCIAL STATEMENTS</b>	23
A. District-Wide Financial Statements	24
A-1 Statement of Net Position	25
A-2 Statement of Activities	26
B. Major Fund Financial Statements	27
Governmental Funds:	
B-1 Balance Sheet	28-29
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	30
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Other Funds:	32
Propriety Funds:	
B-4 Statement of Net Position	33
B-5 Statement of Revenues, Expenses, and Changes in Net Position	34
B-6 Statement of Cash Flows	35
<b>Notes to the Financial Statements</b>	36-83

**TABLE OF CONTENTS (CONTINUED)**

	<b>PAGE</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION - PART II</b>	84
C. Budgetary Comparison Schedules	85
C-1 General Fund	86-95
C-1a General Fund - Education Jobs Fund	N/A
C-2 Special Revenue Fund	96
C-3 Budget to GAAP Reconciliation	97
<b>REQUIRED SUPPLEMENTARY INFORMATION – Part III</b>	98
L. Schedules Related to Accounting and Reporting for Pension (GASB 68)	99
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System – Last Ten Years	100
L-2 Schedule of the District’s Contributions – Public Employees Retirement System – Last Ten Years	101
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability Teachers Pension and Annuity Fund – Last Ten Years	102
L-4 Notes to Required Supplementary Information Part III for the Fiscal Year Ended June 30, 2021	103
<b>REQUIRED SUPPLEMENTARY INFORMATION – Part IV</b>	104
M. Schedule Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions (GASB 75)	105
M-1 Schedule of Changes in the Total OPEB Liability and Related Ratios - Last Ten Years	106
M-2 Notes to Required Supplementary Information Part IV for the Fiscal Year Ended June 30, 2021	107
<b>OTHER SUPPLEMENTARY INFORMATION</b>	108
D. School Level Schedules	N/A
E. Special Revenue Fund	109
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	110-111
E-2 Demonstrably Effective Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-3 Early Childhood Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-4 Distance Learning Network Aid Schedule of Expenditures - Budgetary Basis	N/A
E-5 Instructional Supplement Aid Schedule of Expenditures – Budgetary Basis	N/A

## TABLE OF CONTENTS (CONTINUED)

	<b>PAGE</b>
F. Capital Projects Fund	112
F-1 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	113
F-1a Summary Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - Renovations and Improvements to Jackson Memorial High School	114
F-1b Summary Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - Renovations and Improvements to McAuliffe Middle School	115
F-1c Summary Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - Liberty Transportation Garage	116
F-2 Summary Statement of Project Expenditures - Budgetary Basis	117
G. Proprietary Funds	118
Enterprise Fund:	
G-1 Combining Statement of Net Position	119
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	120
G-3 Combining Statement of Cash Flows	121
H. Fiduciary Fund	N/A
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
H-3 Schedule of Receipts and Disbursements - Student Activity Fund	N/A
H-4 Schedule of Receipts and Disbursements - Payroll Agency Fund	N/A
H-5 Schedule of Receipt and Disbursements - Other Agency Funds	N/A
I. Long-Term Liabilities	122
I-1 Schedule of Serial Bonds	123
I-2 Schedule of Obligations Under Capital Leases	124
I-3 Budgetary Comparison Schedule	125

## TABLE OF CONTENTS (CONTINUED)

	<b>PAGE</b>	
<b>STATISTICAL SECTION - UNAUDITED</b>		
J-1	Net Position by Component	126
J-2	Changes in Net Position	127-128
J-3	Fund Balances – Governmental Funds	129
J-4	Changes in Fund Balances – Governmental Funds	130
J-5	General Fund Other Local Revenue by Source	131
J-6	Assessed Value and Actual Value of Taxable Property	132
J-7	Direct and Overlapping Property Tax Rates	133
J-8	Principal Property Taxpayers – Current Year and Nine Years Ago	134
J-9	Property Tax Levies and Collections	135
J-10	Ratios of Outstanding Debt by Type	136
J-11	Ratios of Net Bonded Debt Outstanding	137
J-12	Direct and Overlapping Governmental Activities Debt	138
J-13	Legal Debt Margin Information	139
J-14	Demographic and Economic Statistics	140
J-15	Principal Employers – Current Year and Nine Years Ago	141
J-16	Full-Time Equivalent District Employees by Function/Program	142
J-17	Operating Statistics	143
J-18	School Building Information	144
J-19	Schedule of Required Maintenance	145
J-20	Insurance Schedule	146-147

## SINGLE AUDIT SECTION

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	148-149
K-2	Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal and State Financial Assistance Programs and on Internal Control Over Compliance in Accordance with the Uniform Guidance and New Jersey OMB Circular 15-08	150-151
K-3	Schedule of Expenditures of Federal Awards, Schedule A	152
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	153
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	154-155
K-6	Schedule of Findings and Questioned Costs	156-158
K-7	Schedule of Prior Audit Findings	159

**INTRODUCTORY SECTION**



# JACKSON TOWNSHIP SCHOOL DISTRICT

151 Don Connor Boulevard  
Jackson, NJ 08527-3497  
(732) 833-4603  
FAX (732) 833-4609  
[www.jacksonsd.org](http://www.jacksonsd.org)

**Mrs. Nicole Pormilli**  
Superintendent of Schools

**Ms. Michelle Richardson**  
Business Administrator/Board Secretary

January 27, 2022

Honorable President and Members  
of the Board of Education  
Jackson School District  
County of Ocean, New Jersey 08527

Dear Board Members:

The annual comprehensive financial report of the Jackson School District for the fiscal year ended June 30, 2021, 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 Jackson Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections; introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis, general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of The Single Audit Act of 1996 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped children. The District completed the 2020-2021 fiscal year with an average daily enrollment of 7,610 students, which is 376 students below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years:

**Average Daily Enrollment**

<b><u>Fiscal Year</u></b>	<b><u>Student Enrollment</u></b>	<b><u>Percent Change</u></b>
2020/21	7,610	-4.7%
2019/20	7,986	-1.7%
2018/19	8,123*	-1.0%*
2017/18	8,205	-2.7%
2016/17	8,434	-1.9%
2015/16	8,601	-1.2%
2014/15	8,707	-2.6%
2013/14	8,941	-2.3%
2012/13	9,149	-2.7%
2011/12	9,398	-2.0%

\* Indicates a corrected figure.

**2. ECONOMIC CONDITION AND OUTLOOK:** The Jackson Township School District continues to experience a decline in enrollment which is currently at four percent. Student population is expected to level off after years of decreasing. A number of new housing developments have broken ground in the town, this new housing may bring additional students into the district schools, thus increasing enrollment. The Jackson Township School District is committed to continued fiscal responsibility, full compliance to regulations and the understanding of the difficult economic conditions of our taxpayers while continuing to provide the highest quality instruction to all our students.

**3. EDUCATION PROGRAM**

*Mission Statement: The Jackson School District is a partnership of dedicated staff, learners and community members committed to developing the unique abilities of each student through compelling learning experiences in a safe and nurturing environment.*

*Our comprehensive, engaging and technology-enriched programs inspire, educate and motivate students to become independent, creative and critical thinkers who will thrive in a diverse, evolving global society.*

*We are resolved that through commitment to scholarship, character and initiative, our students will succeed beyond the expectations of the New Jersey Student Learning Standards as they excel in their lifelong pursuit of knowledge.*

The Jackson School District educational program spans Pre-Kindergarten to 12<sup>th</sup> grade in six elementary schools, two middle schools and two high schools. Over 7,600 students have an opportunity to participate in a variety of programs which include, but are not limited to, the following:

Basic Skills Literacy  
Basic Skills Math  
Enrichment  
English as a Second Language  
Special Education

The elementary curriculum features a developmentally appropriate approach to learning and an emphasis on activities that promote early literacy. The secondary program offers required and elective courses, which are aligned to the Core Curriculum Content Standards.

The District continues to adapt the educational program to the standards set forth in the No Child Left Behind Legislation. Thus, a five-year curriculum plan was created in math, literacy and science. Staff development activities are geared toward fulfilling the “Highly Qualified” standards for certified and non-certified personnel.

**4. INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal audit control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objects are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

**5. BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual 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 funds. The final budget amount as amended for the fiscal year is reflected in the financial section.

The encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2021.

**6. ACCOUNTING SYSTEM REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards board (GASB). The accounting system of the District is organized on the basis of various funds. These funds are explained in "Notes to the Financial Statements," Note 1.

**7. CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey where the funds are secured in accordance with the Act. The law requires governmental units to deposit public funds only in public depositories located in New Jersey.

**8. RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision hazard and theft insurance on property and contents, and fidelity bonds.

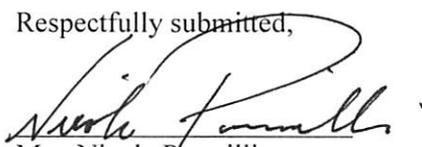
**9. OTHER INFORMATION:**

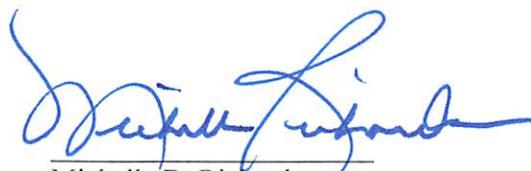
**A. Independent Audit** – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Suplee, Clooney, & Company. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of The Single Audit Act of 1996 and the related Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

**10. FUTURE GROWTH:** The District continues to monitor its population and has created an Enrollment Committee, consisting of BOE members and administration to take a deep dive into analyzing the enrollment issue and make recommendations to the full BOE in order to prepare for any needed facility changes. A demographic study was completed in July 2018 that predicted a stable growth for the district's next 5 years. However, history says the population is declining at 4%. While the District received Covid ESSER funds and Sustainability funds, the passage of P.L.2018, c.67 (S2) on 07/22/2018 is still reducing the Districts State Aid allocation significantly for another 3 years. The District is still in the fight to have the NJ Department of Education provide fair funding for all of NJ's public school children.

**11. ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Jackson School Board for their commitment 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 operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

  
Mrs. Nicole Formilli  
Superintendent of Schools

  
Michelle D. Richardson  
Business Administrator/Board Secretary

**JACKSON TOWNSHIP SCHOOL DISTRICT  
BOARD OF EDUCATION  
JACKSON, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30<sup>TH</sup>, 2021**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires November</u></b>
Tara Rivera, Board President	2023
Michael Walsh, Board Vice President	2022
Scott Sargent	2023
Gus Acevedo	2021
John Burnetsky	2021
Tzvi Herman	2021
John Spalthoff	2021

**Other Officials**

Mrs. Nicole Pormilli, Superintendent of Schools

Michelle D. Richardson, Board Secretary/School Business Administrator

George Stone, Treasurer

Marc H. Zitomer, Board Attorney

**JACKSON TOWNSHIP SCHOOL DISTRICT  
BOARD OF EDUCATION  
JACKSON, NEW JERSEY**

**CONSULTANTS AND ADVISORS  
JUNE 30<sup>TH</sup>, 2021**

**Architect**

**Spieze Architects  
1395 Yardville Hamilton Square Road  
Hamilton, New Jersey 08691**

**Audit Firm**

**Suplee Clooney & Company  
308 East Broad Street  
Westfield, New Jersey 07090**

**Attorneys**

**Board Attorney  
Marc H. Zitomer  
Schenck Price Smith & King, LLP  
220 Park Avenue  
Florham Park, New Jersey 07932**

**Properties/Land Attorney**

**Nicholas Montenegro  
Montenegro Thompson Montenegro & Genz  
531 Burnt Tavern Road  
Brick, New Jersey 08724**

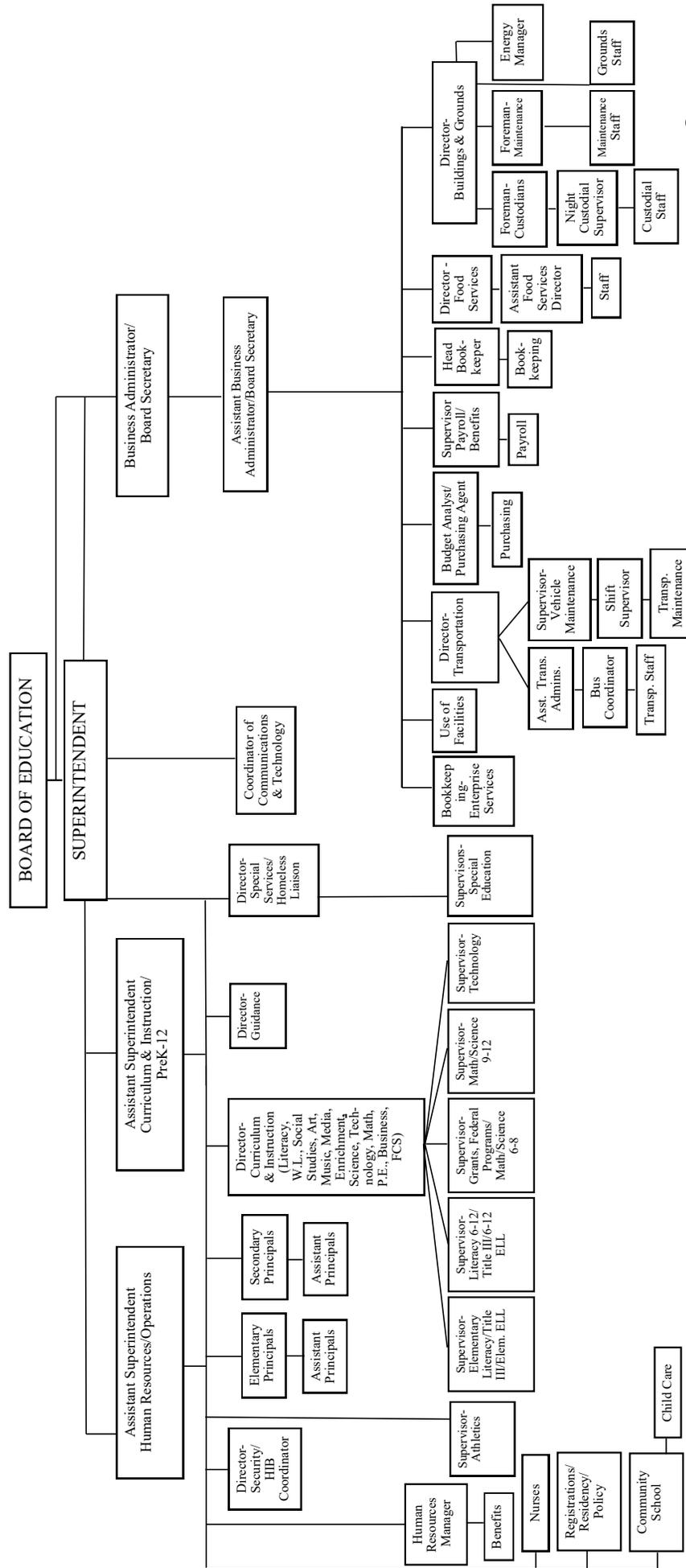
**Special Education Attorney**

**John Comegno  
Comegno Law Group  
521 Pleasant Valley Avenue  
Moorestown, NJ 08057**

**Official Depository**

**Ocean First Bank  
10 Leesville Road  
Jackson, New Jersey 08527**

**1110 - ORGANIZATIONAL CHART**



ADMINISTRATION  
1110/page 1 of 1  
Organizational Chart

Adopted: 21 December 2004  
Revised: 17 December 2013  
Revised: 18 August 2015  
Revised: 16 August 2016  
Revised: 21 November 2017  
Revised: 18 September 2019  
Revised: 26 August 2020

**FINANCIAL SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Jackson School District  
County of Ocean  
Jackson, New Jersey 08527

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund, of the Jackson School District, County of Ocean, New Jersey as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements 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 State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

## **SUPLEE, CLOONEY & COMPANY**

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

### ***Opinion***

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 and each major fund of the Jackson School District, County of Ocean, New Jersey as of June 30, 2021, 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.

### ***Emphasis of Matter***

#### ***Change in Accounting Principle***

As discussed in Note 1 to the basic financial statements, in 2021, the District adopted Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibit M-1 and M-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

# SUPLEE, CLOONEY & COMPANY

## *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jackson School District's basic financial statements. The accompanying supplementary information schedules and data such as the introductory section, combining statements and individual fund financial statements, the statistical section and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 combining and individual fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The supplementary information schedules and data, such as the introductory and statistical sections, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with Government Auditing Standards, we have also issued our report dated January 27, 2022 on our consideration of the Jackson 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 effectiveness of the Jackson 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 Jackson School District's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

January 27, 2022

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JACKSON TOWNSHIP BOARD OF EDUCATION  
JACKSON, NEW JERSEY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

The discussion and analysis of Jackson School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Certain comparative information between the current year (2020-2021) and the prior year (2019-2020) is required to be presented in the MD&A. In fiscal year 2021 the District implemented GASB Statement No. 84- Fiduciary Activities. Prior fiscal year 2020 information was restated where information was available.

**Financial Highlights**

Key financial highlights for 2021 are as follows:

In the District Wide Statements:

- ◆ In total, net position increased \$3,007,162 which represents a 12.65 percent increase from 2020.
- ◆ General revenues accounted for \$143,197,125 in revenue or 70 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$59,639,798 or 30 percent of total revenues of \$202,836,923.
- ◆ Total assets of governmental activities decreased by \$1,020,515, cash and cash equivalents decreased by \$13,810,205. Receivables increased by \$886,243 and capital assets increased by \$11,903,447
- ◆ The School District had \$199,829,761 in expenses; \$59,639,798 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$143,197,125 were adequate to provide for these programs.

In the Fund Financial Statements:

- ◆ The General Fund had \$161,253,673 in revenues and \$180,435,062 in expenditures.
- ◆ The District recognized \$17,331,164 in proceeds from Capital Leases
- ◆ Overall the General Fund's fund balance decreased \$1,100,226 from 2020.

**Using this Annual Comprehensive Financial Report (ACFR)**

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

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

**JACKSON TOWNSHIP BOARD OF EDUCATION  
JACKSON, NEW JERSEY  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED (Continued)**

**Reporting the School District as a Whole**

**Statement of Net Assets and the Statement of Activities**

While this document contains most of the funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, “How did we do financially during 2021” The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the school district as a whole, the financial position of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District’s property tax base, current laws in New Jersey restricting revenue growth, and other factors.

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

- ◆ Governmental activities – All of the School District’s programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ◆ Business-Type Activity – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service, Child Care Program, Community School Program, Preschool Program, Digital Media Program, Summer Electives and STEM Summer Camp Program enterprise funds are reported as business activities.

**Reporting the School District’s Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the School District’s funds. The School District uses many funds to account for a multitude of financial transactions. The School District’s governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

**Governmental Funds**

The School District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district’s general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Enterprise Fund**

The enterprise fund uses the same basis of accounting as business-type activities.

**JACKSON TOWNSHIP BOARD OF EDUCATION  
JACKSON, NEW JERSEY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED (Continued)**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

**The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of a government's financial position. The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net assets for 2021. In accordance with GASB Statement 34, net asset comparisons to fiscal year 2021 are presented.

**TABLE 1  
NET POSITION**

	2021			2020 (As Restated)		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
<b>ASSETS</b>						
Current & Other Assets	\$17,342,745	\$1,676,697	\$19,019,443	\$31,752,913	\$1,740,157	\$33,493,070
Capital Assets	148,832,020	952,889	149,784,910	136,928,574	1,082,432	138,011,005
<b>TOTAL ASSETS</b>	<b>166,174,766</b>	<b>2,629,587</b>	<b>168,804,352</b>	<b>168,681,487</b>	<b>2,822,588</b>	<b>171,504,075</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>						
Loss on Refunding of Long Term Debt	689,793		689,793	805,880		805,880
Premium on Refunding of Long Term Debt	2,863,927		2,863,927	3,353,020		3,353,020
Pension Related	8,370,869		8,370,869	9,766,718		9,766,718
<b>TOTAL DEFERRED OUTFLOWS</b>	<b>11,924,589</b>		<b>11,924,589</b>	<b>13,925,618</b>		<b>13,925,618</b>
<b>LIABILITIES</b>						
Long-Term Liabilities	113,500,125	125,859	113,625,984	130,534,061	183,136	130,717,198
Other Liabilities	19,971,888	297,835	20,269,723	11,169,966	121,147	11,291,113
<b>TOTAL LIABILITIES</b>	<b>133,472,013</b>	<b>423,694</b>	<b>133,895,706</b>	<b>141,704,027</b>	<b>304,283</b>	<b>142,008,310</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Pension Related	18,001,582		18,001,582	17,255,074		17,255,074
Gain on Refunding of Long Term Debt	2,050,909		2,050,909	2,392,727		2,392,727
	20,052,491		20,052,491	19,647,801		19,647,801
<b>NET POSITION</b>						
Net investment in capital assets	78,286,518	952,889	79,239,408	75,571,648	1,082,432	76,654,080
Restricted	3,502,875		3,502,875	3,975,025		3,975,025
Unrestricted:						
Pension related (deficit)	(55,292,173)		(55,292,173)	(56,717,919)		(56,717,919)
Other (deficit)	(1,922,370)	1,253,004	(669,366)	(1,573,477)	1,435,873	(137,604)
<b>TOTAL NET POSITION</b>	<b>\$24,574,851</b>	<b>\$2,205,893</b>	<b>\$26,780,743</b>	<b>\$21,255,277</b>	<b>\$2,518,305</b>	<b>\$23,773,582</b>

The District's combined net position was \$26,780,743 on June 30, 2021.

**JACKSON TOWNSHIP BOARD OF EDUCATION  
JACKSON, NEW JERSEY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED (Continued)**

Table 2 shows changes in net assets for fiscal year 2021. In accordance with GASB Statement 34, revenue and expense comparisons to fiscal year 2020 is presented to comparatively analyze district-wide data.

**TABLE 2  
CHANGES IN NET POSITION**

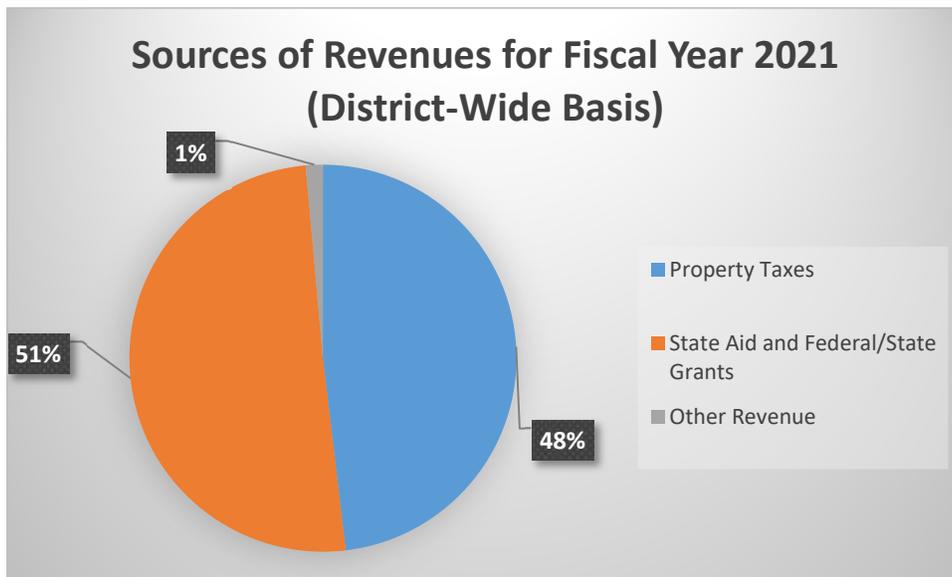
	2021			2020 (As Restated)		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
Revenues:						
Program Revenues:						
Operating Grants & Contributions	\$55,188,558	\$3,276,941	\$58,465,499	\$35,239,934	\$1,002,990	\$36,242,924
Charges for Services	558,977	615,322	1,174,300		2,569,809	2,569,809
General Revenues						
Property Taxes	95,806,405		95,806,405	94,165,775		94,165,775
Grants (includes State Aid) and Entitlements	45,290,601		45,290,601	47,493,055		47,493,055
Other Revenues	2,105,998		2,105,998	1,991,717		1,991,717
Transfers	750,000	(750,000)		300,000	(300,000)	
Disposal of Capital Assets	(5,880)		(5,880)			
	199,694,660	3,142,263	202,836,923	179,190,481	3,272,798	182,463,280
Expenses:						
Instruction	116,939,985		116,939,985	103,695,746		103,695,746
Pupils and Instructional Staff	26,896,552		26,896,552	24,444,876		24,444,876
General & School Adm. Central Serv & Adm Technology	16,885,648		16,885,648	15,268,907		15,268,907
Maintenance	14,205,760		14,205,760	13,553,919		13,553,919
Transportation	14,291,401		14,291,401	12,902,436		12,902,436
Interest on Long-Term Debt	2,287,093		2,287,093	2,574,164		2,574,164
Other	4,868,649		4,868,649	4,973,594		4,973,594
Business-Type		3,454,675	3,454,675		4,187,026	4,187,026
Total Expenses	196,375,086	3,454,675	199,829,761	177,413,642	4,187,026	181,600,668
Change in Net Position	3,319,574	(312,412)	3,007,162	1,776,839	(914,228)	862,612
Net Position July 1, (as restated)	21,255,277	2,518,305	23,773,582	19,478,437	3,432,532	22,910,969
Net Position June 30,	24,574,851	2,205,893	26,780,743	21,255,276	2,518,305	23,773,581

Variations in both the revenues and expenditures are significantly affected by fluctuations in the actuarial expenses for PERS Pension expense under GASB 68 and Postemployment Benefits under GASB 75.

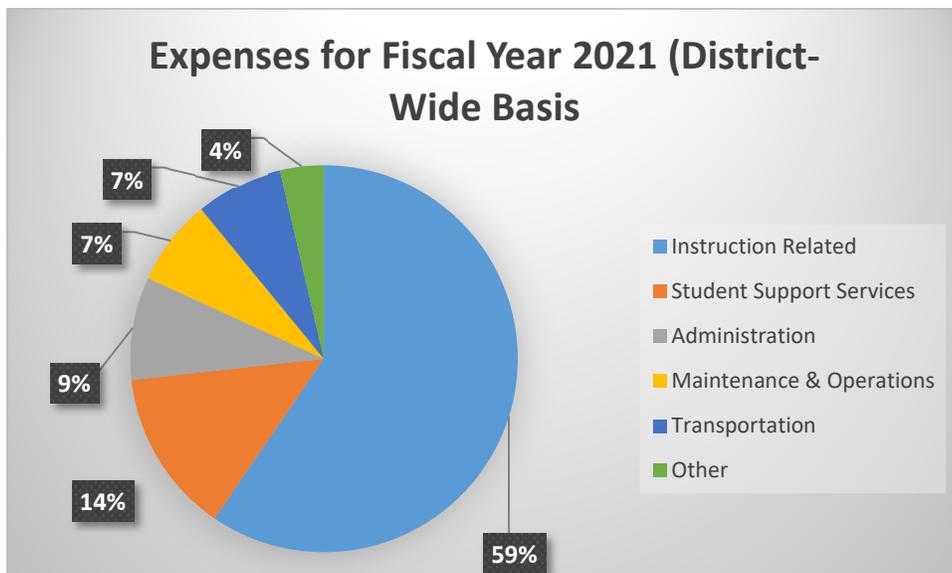
**JACKSON TOWNSHIP BOARD OF EDUCATION  
 JACKSON, NEW JERSEY  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
 UNAUDITED (Continued)**

**Governmental Activities**

As shown in Table 2 the District's total revenue from Governmental Activities was \$202,836,923. Property taxes made up 48 percent of these revenues. Federal, state, and local grants and state aid accounted for another 51 percent of revenue.



Also on Table 2, the total cost of Governmental programs and services was \$199,829,761. Direct instruction comprises 59 percent of District expenses.



**JACKSON TOWNSHIP BOARD OF EDUCATION  
JACKSON, NEW JERSEY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED (Continued)**

**Business-Type Activities**

Revenues for the District's business-type activities (food service, child care, community school, pre-school programs, digital media and summer elective) were comprised of charges for services and federal and state reimbursements.

- ◆ Business Type expenses and transfers exceeded revenues by \$312,412.
- ◆ Charges for services represent \$615,322 of revenue. This represents amounts paid by patrons for the various program services.
- ◆ Federal and state reimbursement for meals, including payments for free and reduced lunches, and donated commodities was \$3,276,941

**Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The total costs include compensating absences, unallocated benefits, and depreciation and is reduced by grants and specific state aid. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. In accordance with GASB Statement 34, a comparison to fiscal year 2020 is presented.

**TABLE 3  
NET COST OF SERVICES**

	Total Cost of Services <u>2021</u>	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2021</u>	Net Cost of Services <u>2020</u>
Instruction	116,939,985	\$107,473,838	\$79,840,966	\$78,399,251
Pupils and Instructional Staff	26,896,552	26,622,719	17,076,573	20,563,080
Gen. & School Adm, Central Serv & Adm Technology	16,885,648	15,802,894	12,416,879	11,528,183
Maintenance	14,205,760	14,148,410	12,591,632	13,134,529
Transportation	14,291,401	14,096,949	11,681,797	12,119,548
Interest on Long-Term Debt	2,287,093	2,878,444	2,164,412	2,499,618
Business-Type	3,454,675	4,787,482	(437,588)	(35,857)
Other	4,868,649	5,291,289	4,855,291	5,240,111
<b>Total Expenses</b>	<u>\$199,829,761</u>	<u>\$191,102,025</u>	<u>\$140,189,963</u>	<u>\$143,448,463</u>

**Instruction** expenses include the activities involving the interaction between teachers and students in a school classroom, another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities.

**Support Services** includes expenses for pupils and instructional staff providing administrative, technical, and logistical support to facilitate and enhance instruction. This area includes Attendance and Social Work Services, Health Services, Child Study Team Services, Curriculum Development, Staff Training, and School Library Services.

**School Administration, General Administration, Central Service & Administrative Technology** includes expenses associated with administrative responsibility for the schools: Supervision of the schools, evaluation of school staff members, fiscal services, human resources, strategic planning, purchasing, payroll, and management of the district's information technology system.

**Operation and Maintenance of Facilities** involve keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition.

**JACKSON TOWNSHIP BOARD OF EDUCATION  
 JACKSON, NEW JERSEY  
 MANAGEMENT’S DISCUSSION AND ANALYSIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
 UNAUDITED (Continued)**

**Pupil Transportation** includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by Federal and State law.

**Interest** on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

**Business Type Activities** involves the transactions associated with the operation of the Food Service, Child Care, Community School, Preschool, Digital Mass Media, Summer Elective and STEM Summer Camp Programs.

**Other** includes special schools and unallocated depreciation.

**The School District’s Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$174,850,876 and expenditures were \$194,145,183. The District also had \$18,088,245 in other financing sources consisting mainly of capital lease proceeds and Inter-equity transfers. The net negative change in fund balance for the year was \$1,309,519.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the general fund, special revenue fund and debt service fund for the fiscal year ended June 30, 2021, and the amount and percentage of increases and decreases in relation to prior year revenues.

REVENUES (FUND-BASED FINANCIAL STATEMENTS):

	<u>Amount</u>	<u>Percentage</u>	<u>Increase/Decrease from 2020</u>	<u>Percentage Change</u>
Local Sources	\$98,829,091	56.52%	\$2,878,770	3.00%
State Sources	71,091,271	40.66%	1,658,819	2.39%
Federal Sources	<u>4,930,515</u>	<u>2.82%</u>	<u>1,373,169</u>	<u>38.60%</u>
	<u>\$174,850,876</u>	<u>100.00%</u>	<u>\$5,910,758</u>	<u>3.50%</u>

The increase in State sources is due to the increase in Food Service Reimbursements.

**JACKSON TOWNSHIP BOARD OF EDUCATION  
JACKSON, NEW JERSEY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED (Continued)**

The following schedule represents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2021, and the percentage of increases and decreases in relation to prior year amounts.

EXPENDITURES (FUND BASED FINANCIAL STATEMENTS)				
	<u>Amount</u>	<u>Percentage</u>	<u>Increase/(Decrease) from 2020</u>	<u>Percentage Change</u>
Current Expense:				
Instruction	\$55,536,771	28.61%	(\$55,597)	-0.10%
Undistributed	106,874,767	55.05%	7,119,161	7.14%
Capital Outlay	17,972,050	9.26%	7,759,427	75.98%
Special Schools	51,475	0.03%	(158,809)	-75.52%
Special Revenue	5,270,057	2.71%	1,913,002	56.98%
Debt Service:				
Principal	6,205,000	3.20%	245,000	4.11%
Interest	2,235,063	1.15%	(286,413)	-11.36%
<b>Total</b>	<b>\$194,145,183</b>	<b>100.01%</b>	<b>\$16,535,772</b>	<b>9.31%</b>

Changes in expenditures were the results of varying factors.

**General Fund Budgeting Highlights**

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised the annual operating budget as needed. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- ◆ The District received \$1,930,510 in extraordinary aid, which is state aid for special education students whose individual program cost exceeds program guidelines; this was \$630,510 more than anticipated. There was no guarantee from the Department of Education that these funds would be available.
- ◆ TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the District but is required to be reflected in the financial statements. This number is reflective of the amount of money the New Jersey Department of Education pays on-behalf of certified staff for pension and FICA purposes. Salaries of regular instruction continue to increase in proportion with negotiated contracts.
- ◆ The District's philosophy is to include special education students in regular academic classes whenever possible but with additional services. Students who may have been originally scheduled for Resource Room classes were scheduled for Inclusion classes. This necessitates the cost for additional instructional aides and teachers to accommodate resource students.

**JACKSON TOWNSHIP BOARD OF EDUCATION  
 JACKSON, NEW JERSEY  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
 UNAUDITED (Continued)**

**Capital Assets**

At the end of the fiscal year 2021, the School District had \$148,832,020 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2021 balances compared to 2020.

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

	<u>2021</u>	<u>2020</u>
Land	15,707,450	15,707,450
Construction in Progress	25,261,650	14,387,952
Site Improvements	1,628,267	1,812,570
Building & Building Improvements	99,527,929	98,443,219
Machinery & Equipment	<u>6,706,724</u>	<u>6,577,383</u>
	<u><u>148,832,020</u></u>	<u><u>136,928,574</u></u>

Overall capital assets increased \$11,903,447 from fiscal year 2020 to fiscal year 2021. The increase in capital assets is due primarily to additions to Construction in Progress related to the District's Energy Savings Incentive Program (ESIP) lease. For more detailed information, please refer to the Notes to the Financial Statements.

**Debt Administration**

At June 30, 2021, the School District had \$122,504,320 of outstanding debt. Of this amount, \$6,886,144 is for compensated absences; \$26,823,984 for various capital leases; \$43,365,000 of serial bonds for school construction; \$2,863,927 in unamortized bond premium and \$42,565,265 in net pension liability.

Table 5 illustrates the balances of the District's various bonds issues outstanding at June 30, 2021 and June 30, 2020.

**Table 5  
 Outstanding Bonded Debt at June 30,**

	<u>2021</u>	<u>2020</u>
2006 Refunding Bonds	\$11,595,000.00	\$16,965,000.00
2014 Refunding Bonds	4,620,000.00	5,455,000.00
2017 Refunding Bonds	<u>27,150,000.00</u>	<u>27,150,000.00</u>
	<u><u>\$43,365,000.00</u></u>	<u><u>\$49,570,000.00</u></u>

At June 30, 2021, the School District's overall legal debt margin was \$261,636,545 .

**JACKSON TOWNSHIP BOARD OF EDUCATION  
JACKSON, NEW JERSEY  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED (Continued)**

**For the Future**

The Jackson School District is in good financial condition presently. The School District is proud of its community support of the public schools. The State of NJ passed legislation known as ‘S2’ in 2018, which has adversely affected many Ocean County School Districts. For Jackson, it is estimated to cut state aid by as much as \$18,000,000 over seven years (FY19 to FY25). The District lost \$3.5 million in the FY21 school year and stands to lose \$4.3 million in FY22. There is uncertainty regarding the methodology and amount of funding of the state’s portion of educational aid and the District is pursuing avenues to get answers for their methodology. However, the state has provided some financial relief to school districts due to the Corona Virus Pandemic. Beginning March 13, 2020 the state awarded Pandemic Relief Funds in the form of Elementary and Secondary School Emergency Relief Funds (ESSER). The District has received 3 awards with varying periods of funding through 2023. These funds will be used to address learning loss, maintain student & staff health and safety as well as avoiding staff layoffs and hiring new staff needed. The Board and Administration continue to find creative means to fill the gap between funding, and the cost to provide an exceptional education to Jackson’s students.

In addition, the School District’s system for financial planning, budgeting and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future. In conclusion, the Jackson School District has committed itself to financial excellence for many years.

**Contacting the School District’s Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. If you have questions about this report or need additional information, contact Ms. Michelle Richardson, Business Administrator/Board Secretary at Jackson Township Board of Education, Administration Building, 151 Don Connor Blvd., Jackson, NJ 08527. Please visit our website at [www.jacksonsd.org](http://www.jacksonsd.org).

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2021

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

JACKSON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

	GOVERNMENTAL <u>ACTIVITIES</u>	BUSINESS-TYPE <u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$11,118,569.91	\$1,299,324.52	\$12,417,894.43
Receivables, net	2,943,138.28	323,031.08	3,266,169.36
Inventory		54,341.87	54,341.87
<b>Restricted assets:</b>			
Restricted cash and cash equivalents	3,281,036.98		3,281,036.98
<b>Capital assets:</b>			
Land and Construction in progress	40,969,100.19		40,969,100.19
Other Capital Assets net of depreciation	<u>107,862,920.25</u>	<u>952,889.08</u>	<u>108,815,809.33</u>
Total Assets	166,174,765.61	2,629,586.55	168,804,352.16
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Loss on Refunding of Long Term Debt	689,793.02		689,793.02
Premium on Refunding of Long Term Debt	2,863,926.80		2,863,926.80
Pension Related	<u>8,370,869.00</u>		<u>8,370,869.00</u>
Total Deferred Outflows of Resources	11,924,588.81		11,924,588.81
<b>LIABILITIES:</b>			
Accounts payable	4,414,097.26	23,245.81	4,437,343.07
Payable to state government	2,092.00		2,092.00
Payroll Deductions Payable	3,430,039.39		3,430,039.39
Unemployment Compensation Claims Payable	58,259.10		58,259.10
Accrued Liability for Insurance Claims	2,885,293.00	2,181.36	2,887,474.36
Unearned revenue	28,245.97	272,407.96	300,653.93
Accrued Interest Payable	149,666.14		149,666.14
<b>Noncurrent liabilities:</b>			
Due within one year:			
Bonds and capital leases payable	9,004,194.70		9,004,194.70
Due beyond one year:			
Net Pension Liability	42,565,265.00		42,565,265.00
Compensated absences payable	6,886,143.82	125,858.82	7,012,002.64
Bonds and capital leases payable	<u>64,048,716.16</u>		<u>64,048,716.16</u>
Total liabilities	133,472,012.54	423,693.95	133,895,706.49
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to pensions	18,001,582.00		18,001,582.00
Gain on Refunding of Long Term Debt	<u>2,050,909.09</u>		<u>2,050,909.09</u>
Total Deferred Inflows of Resources	20,052,491.09		20,052,491.09
<b>NET POSITION:</b>			
Net investment in capital assets	78,286,518.49	952,889.08	79,239,407.57
<b>Restricted for:</b>			
Special revenue fund	607,816.07		607,816.07
Capital projects fund	1,879,269.64		1,879,269.64
Debt service fund	104,427.00		104,427.00
Other purposes	911,362.49		911,362.49
Unrestricted (deficit)	<u>(57,214,542.89)</u>	<u>1,253,003.52</u>	<u>(55,961,539.37)</u>
Total net position	<u>\$24,574,850.80</u>	<u>\$2,205,892.60</u>	<u>\$26,780,743.40</u>

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

JACKSON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
JUNE 30, 2021

Functions/Programs	Expenses	Indirect Cost Allocation	Programs Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
<b>Governmental Activities:</b>						
Instruction:						
Regular	\$ 35,216,654.09	\$ 33,423,641.50	\$ 20,927,472.20	\$ (47,712,823.39)	\$ (47,712,823.39)	
Special	20,620,918.50	22,056,474.54	14,576,997.14	(28,100,395.90)	(28,100,395.90)	
Other Instruction	3,066,885.99	2,555,409.89	1,594,549.46	(4,027,746.42)	(4,027,746.42)	
Support services:						
Tuition	4,731,339.44	(4,731,339.44)				
Student and instruction related services	14,559,569.92	12,336,981.93	9,583,038.99	(16,754,535.50)	(16,754,535.50)	
General administrative services	1,502,020.76	(1,099,833.04)	80,149.81	(322,037.91)	(322,037.91)	
School administrative services	5,626,593.45	7,009,684.12	3,634,662.01	(9,001,615.56)	(9,001,615.56)	
Central service/Admin information technology	2,757,716.62	1,089,465.69	431,918.44	(3,415,263.87)	(3,415,263.87)	
Plant operations and maintenance	10,759,962.38	3,445,797.87	1,614,128.18	(12,591,632.07)	(12,591,632.07)	
Pupil transportation	10,393,087.20	3,898,313.36	2,609,603.29	(11,681,797.27)	(11,681,797.27)	
Unallocated benefits	78,623,406.88	(78,623,406.88)				
Special Schools	51,474.50	26,789.00	13,358.30	(64,905.20)	(64,905.20)	
Interest on Long-Term Debt	2,287,092.81		122,680.48	(2,164,412.33)	(2,164,412.33)	
Unallocated depreciation	6,178,363.89	(1,387,978.54)		(4,790,385.35)	(4,790,385.35)	
Total governmental activities	196,375,086.43	558,977.36	55,188,558.30	(140,627,550.77)	(140,627,550.77)	
<b>Business-type activities</b>						
Child Care	632,486.13		390,506.37	(241,979.76)	(241,979.76)	
Food Service	2,505,984.57		29,782.37	800,738.33	800,738.33	
Community School	19,628.04		3,728.00	(15,900.04)	(15,900.04)	
Preschool	273,275.18		166,529.46	(106,745.72)	(106,745.72)	
Digital Media	18,628.00		24,776.00	6,148.00	6,148.00	
Summer Electives	4,672.86			(4,672.86)	(4,672.86)	
Total business-type activities	3,454,674.78		3,276,940.53	437,587.95	437,587.95	
Total primary government	\$ 199,829,761.21	\$ 1,174,299.56	\$ 58,465,498.83	\$ (140,627,550.77)	\$ (140,189,962.82)	
<b>General Revenues:</b>						
Taxes:						
Property taxes, levied for general purposes, net				\$ 87,894,569.00	\$ 87,894,569.00	
Taxes levied for debt service				7,911,836.00	7,911,836.00	
Federal and state aid not restricted				44,899,845.22	44,899,845.22	
Federal and state aid restricted				390,756.07	390,756.07	
Miscellaneous income				2,105,998.39	2,105,998.39	
Disposal of capital asset (net)				(5,880.00)	(5,880.00)	
Transfers				750,000.00	750,000.00	
Total general revenues and special items				143,947,124.68	143,947,124.68	
Change in Net Position				3,319,573.91	(312,412.05)	
Net Position - beginning (as restated)				21,255,276.89	2,518,304.65	
Net Position ending				24,574,850.80	2,205,892.60	

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

## **MAJOR FUND FINANCIAL STATEMENTS**

The Individual Fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

JACKSON TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 10,063,488.65	\$ 607,816.07	\$ 22,427.84	\$ 424,837.35	\$ 11,118,569.91
Cash with Fiscal Agents	1,401,767.34				1,401,767.34
Cash, Capital Reserve	1,879,269.64				1,879,269.64
Other receivables		15,311.37			15,311.37
Due from other funds	757,987.06				757,987.06
Receivables from other governments	2,219,037.15	706,608.40			2,925,645.55
<b>Total assets</b>	<b>\$ 16,321,549.84</b>	<b>\$ 1,329,735.84</b>	<b>\$ 22,427.84</b>	<b>\$ 424,837.35</b>	<b>\$ 18,098,550.87</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 1,262,797.30	\$ 55,104.96		\$	\$ 1,317,902.26
Interfund payables		636,476.84		119,328.86	755,805.70
Payable to state government		2,092.00			2,092.00
Payroll Deductions Payable	3,430,039.39				3,430,039.39
Unemployment Compensation Claims Payable	58,259.10				58,259.10
Accrued Liability for Insurance Claims	2,885,293.00				2,885,293.00
Unearned revenue	982,170.34	28,245.97			1,010,416.31
<b>Total liabilities</b>	<b>8,618,559.13</b>	<b>721,919.77</b>		<b>119,328.86</b>	<b>9,459,807.76</b>
<b>Fund balances:</b>					
<b>Restricted:</b>					
Capital reserve account	1,879,269.64				1,879,269.64
Capital projects fund			22,427.84		22,427.84
Debt service fund				201,081.49	201,081.49
State Unemployment Insurance	885,510.64				885,510.64
Student Activities		607,816.07			607,816.07
SEMI/FFCRA - designated for subsequent for subsequent year expenditure	25,851.85				25,851.85
<b>Assigned:</b>					
Designated for subsequent years expenditures	4,539,267.60			104,427.00	4,643,694.60
<b>Unassigned</b>					
General fund	373,090.98				373,090.98
<b>Total fund balances</b>	<b>7,702,990.71</b>	<b>607,816.07</b>	<b>22,427.84</b>	<b>305,508.49</b>	<b>8,638,743.11</b>
<b>Total liabilities and fund balances</b>	<b>\$ 16,321,549.84</b>	<b>\$ 1,329,735.84</b>	<b>\$ 22,427.84</b>	<b>\$ 424,837.35</b>	<b>\$ 18,098,550.87</b>

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

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

Total Fund Balances (Brought Forward)		\$8,638,743.11
<p>Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of Assets	\$257,270,094.18	
Accumulated Depreciation	<u>(108,438,073.74)</u>	148,832,020.44
<p>Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
Net Pension Liability	(42,565,265.00)	
Compensated Absences	(6,886,143.82)	
Bonds Payable		
Outstanding at June 30, 2021	\$ (43,365,000.00)	
Less: Unamortized Balance of Refunding Bonds	<u>(1,361,116.07)</u>	
	(44,726,116.07)	
Capital Leases:		
Outstanding at June 30, 2021	(26,823,984.06)	
Less: Unexpended Proceeds	<u>982,170.34</u>	
	<u>(25,841,813.72)</u>	(120,019,338.61)
<p>Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.</p>		
Pensions:		
Deferred Outflows		
Pension related	<u>8,370,869.00</u>	8,370,869.00
Deferred Inflows:		
Pension related		(18,001,582.00)
<p>Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.</p>		
Accounts Payable - Pension Related	(3,096,195.00)	
Accrued Interest Payable	<u>(149,666.14)</u>	<u>(3,245,861.14)</u>
Net Position of Governmental Activities		<u><u>\$24,574,850.80</u></u>

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

JACKSON TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 87,894,569.00			\$ 7,911,836.00	\$ 95,806,405.00
Tuition from Individuals	422,568.87				422,568.87
Interest on capital reserve	21,038.00				21,038.00
Other restricted miscellaneous revenues	21,625.44				21,625.44
Unrestricted miscellaneous revenues	1,978,194.59	579,258.94	99,693.75		2,657,147.28
<b>Total - local sources</b>	<b>90,337,995.90</b>	<b>579,258.94</b>	<b>99,693.75</b>	<b>7,911,836.00</b>	<b>98,928,784.59</b>
State sources	70,614,279.98	5,143.00		471,848.00	71,091,270.98
Federal sources	301,397.22	4,629,117.45			4,930,514.67
<b>Total revenues</b>	<b>161,253,673.10</b>	<b>5,213,519.39</b>	<b>99,693.75</b>	<b>8,383,684.00</b>	<b>174,950,570.24</b>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	35,216,654.09				35,216,654.09
Special instruction	17,253,231.08	3,367,687.42			20,620,918.50
Other Instruction	3,066,885.99				3,066,885.99
Support services:					
Tuition	4,731,339.44				4,731,339.44
Student & instruction related services	12,755,326.50	1,804,243.42			14,559,569.92
General administrative services	1,502,020.76				1,502,020.76
School administrative services	5,626,593.45				5,626,593.45
Central service/Admin information technology	2,757,716.62				2,757,716.62
Plant operations and maintenance	11,864,962.38				11,864,962.38
Pupil transportation	11,293,456.27				11,293,456.27
Unallocated benefits	56,343,351.59				56,343,351.59
Special schools	51,474.50				51,474.50
Debt Service:					
Principal				6,205,000.00	6,205,000.00
Interest				2,235,062.50	2,235,062.50
Capital outlay	17,972,049.94	98,126.56	203,152.16		18,273,328.66
<b>Total expenditures</b>	<b>180,435,062.61</b>	<b>5,270,057.40</b>	<b>203,152.16</b>	<b>8,440,062.50</b>	<b>194,348,334.67</b>
Excess (deficiency) of revenues over (under) expenditures	(19,181,389.51)	(56,538.01)	(103,458.41)	(56,378.50)	(19,397,764.43)
Other financing sources (uses):					
Transfers In/out	750,000.00		(193,999.64)	193,999.64	750,000.00
Interest earned on Arbitrage reserve				7,081.50	7,081.50
Capital leases (non-budgeted)	17,331,163.70				17,331,163.70
<b>Total other financing sources</b>	<b>18,081,163.70</b>		<b>(193,999.64)</b>	<b>201,081.14</b>	<b>18,088,245.20</b>
<b>Net change in fund balances</b>	<b>(1,100,225.81)</b>	<b>(56,538.01)</b>	<b>(297,458.05)</b>	<b>144,702.64</b>	<b>(1,309,519.23)</b>
Fund balances, July 1, 2020 (as restated)	8,803,216.52	664,354.08	319,885.89	160,805.85	9,948,262.34
Fund balances, June 30, 2021	\$ 7,702,990.71	\$ 607,816.07	\$ 22,427.84	\$ 305,508.49	\$ 8,638,743.11

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

JACKSON 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 FISCAL YEAR ENDED JUNE 30, 2021

Total net change in fund balances - governmental funds (from B-2)		(\$1,309,519.23)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense		(6,178,363.89)
Capital outlays	\$18,273,328.66	
Add: Refunds	110,828.93	
Less: Capital Outlays not capitalized	<u>(296,467.00)</u>	
		18,087,690.59
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
Bonds Paid by Budget		6,205,000.00
Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.		
Capital lease proceeds - Current Year		(17,327,219.03)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
Payment of capital lease payable		2,005,369.07
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		
		18,705.22
Gains and losses on refunding bonds are reported in the Governmental Funds as expenditures in the year the bonds are issued. However, on the Statement of Activities the costs are amortized over the life of the Bonds.		
Loss on 2006 Refunding Bonds refunded in 2016		225,731.47
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net position will differ from the change in fund balance by the cost of the asset removed(-).		
		(5,880.00)
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.		
District pension contributions	2,855,409.00	
Less: Pension expense	<u>(1,429,663.00)</u>	
		1,425,746.00
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-). When the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>172,313.71</u>
Change in net position of governmental activities (A-2)		<u><u>\$3,319,573.91</u></u>

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

**OTHER FUNDS**

JACKSON TOWNSHIP SCHOOL DISTRICT  
 COMBINING STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS - ENTERPRISE FUNDS  
 JUNE 30, 2021

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND							
	CHILD CARE FUND	FOOD SERVICE FUND	COMMUNITY SCHOOL FUND	PRE-SCHOOL FUND	DIGITAL MEDIA FUND	SUMMER ELECTIVES	STEM SUMMER CAMP	TOTAL
<b>ASSETS:</b>								
Current assets:								
Cash and cash equivalents	\$355,245.65	\$559,332.78	\$146,982.28	\$165,783.92	\$27,097.21	\$39,911.34	\$4,971.34	\$1,299,324.52
Accounts receivable:								
State		8,385.60						8,385.60
Federal		311,548.48						311,548.48
Inventories		54,341.87						54,341.87
Total current assets	355,245.65	936,705.73	146,982.28	165,783.92	27,097.21	39,911.34	4,971.34	1,676,697.47
Noncurrent assets:								
Furniture, machinery and equipment		2,205,624.33						2,205,624.33
Less accumulated depreciation		(1,252,735.25)						(1,252,735.25)
Total noncurrent assets		952,889.08						952,889.08
Total assets	355,245.65	1,889,594.81	146,982.28	165,783.92	27,097.21	39,911.34	4,971.34	2,629,686.55
<b>LIABILITIES:</b>								
Current liabilities:								
Interfunds		2,181.36						2,181.36
Unearned revenue	80,170.82	102,580.14		54,782.00	11,200.00	23,000.00	675.00	272,407.96
Accounts payable	21,368.93			1,876.88				23,245.81
Noncurrent liabilities:								
Due beyond one year:								
Compensated absences	9,462.83	98,215.99		18,180.00				125,858.82
Total liabilities	111,002.58	202,977.49		74,838.88	11,200.00	23,000.00	675.00	423,693.95
<b>NET POSITION:</b>								
Net investment in capital assets								
Unrestricted	244,243.07	952,889.08	146,982.28	90,945.04	15,897.21	16,911.34	4,296.34	952,889.08
Total net position	\$244,243.07	\$1,686,617.32	\$146,982.28	\$90,945.04	\$15,897.21	\$16,911.34	\$4,296.34	\$2,205,692.60

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

JACKSON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	CHILD CARE FUND	FOOD SERVICE FUND	COMMUNITY SCHOOL FUND	PRE-SCHOOL FUND	DIGITAL MEDIA FUND	SUMMER ELECTIVES	STEM SUMMER CAMP	TOTAL
<b>OPERATING REVENUES:</b>								
Charges for services:								
Daily sales - reimbursable programs		\$10,695.99						\$10,695.99
Daily sales - non-reimbursable programs		8,209.87						8,209.87
Special Functions		10,876.51						10,876.51
Tuition - individuals	\$390,506.37		\$3,728.00	\$166,529.46	\$24,776.00		\$	585,539.83
Total operating revenues	390,506.37	29,782.37	3,728.00	166,529.46	24,776.00			615,322.20
<b>OPERATING EXPENSES:</b>								
Cost of sales - reimbursable		844,136.93						844,136.93
Salaries	501,108.03	931,647.54	9,564.39	272,235.18	18,358.00			1,732,913.14
Employee benefits	101,379.73	506,650.27	9,746.80					617,776.80
Other purchase service	8,735.36	58,256.34						66,991.70
Rentals	515.50							515.50
Supplies and materials	1,199.01	5,569.36				4,672.86		5,871.87
Non-instructional equipment		16,142.49	316.85	1,040.00	270.00			5,569.36
Miscellaneous	19,548.50							37,317.84
Depreciation		129,542.45						129,542.45
Total operating expenses	632,486.13	2,505,984.57	19,628.04	273,275.18	18,628.00	4,672.86		3,454,674.78
Operating income (loss)	(241,979.76)	(2,476,202.20)	(15,900.04)	(106,745.72)	6,148.00	(4,672.86)		(2,839,352.58)
<b>NONOPERATING REVENUES (EXPENSES):</b>								
State Sources		84,408.71						84,408.71
Federal Sources:								
National School Lunch Program		1,908,254.56						1,908,254.56
National School Breakfast Program		974,176.75						974,176.75
Emergency Operational Costs Reimbursement Program		122,562.29						122,562.29
Pandemic Electronic Benefit Transfer - Administrative Costs		3,063.00						3,063.00
Commissions / Rebates		1,448.04						1,448.04
National food distribution commodities		183,027.18						183,027.18
Total nonoperating revenues (expenses)		3,276,940.53						3,276,940.53
Excess (deficiency) of revenues over (under) expenditures	(241,979.76)	800,738.33	(15,900.04)	(106,745.72)	6,148.00	(4,672.86)		437,587.95
Other financing (uses):								
Transfer of funds	(250,000.00)	(200,000.00)		(300,000.00)				(750,000.00)
Total other financing (uses)	(250,000.00)	(200,000.00)		(300,000.00)				(750,000.00)
Net change in fund balances	(491,979.76)	600,738.33	(15,900.04)	(406,745.72)	6,148.00	(4,672.86)		(312,412.05)
Total net position - beginning	736,222.83	1,085,879.00	162,882.32	497,690.76	9,749.21	21,584.20	4,296.34	2,518,304.66
Total net position - ending	\$244,243.07	\$1,686,617.33	\$146,982.28	\$90,945.04	\$15,897.21	\$16,911.34	\$4,296.34	\$2,205,892.61

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

JACKSON TOWNSHIP SCHOOL DISTRICT  
 COMBINING STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS - ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	CHILD CARE FUND	FOOD SERVICE FUND	COMMUNITY SCHOOL FUND	PRE-SCHOOL FUND	DIGITAL MEDIA FUND	SUMMER ELECTIVES	STEM SUMMER CAMP	TOTAL
Cash flows from operating activities:								
Receipts from customers	\$470,132.20	\$15,096.93		\$220,791.46	\$35,976.00	\$23,000.00	\$	\$764,996.59
Payments to employees	(486,651.06)	(931,647.54)	(9,564.39)	(290,878.30)	(18,358.00)			(1,737,099.29)
Payments to employee benefits	(103,420.38)	(541,367.28)	(9,746.80)					(654,534.46)
Payments to suppliers	(29,998.37)	(739,972.05)	(316.85)	(1,040.00)	(270.00)	(4,672.86)		(776,270.13)
Net cash provided by (used for) operating activities	(149,937.61)	(2,197,889.94)	(19,628.04)	(71,126.84)	17,348.00	18,327.14		(2,402,907.29)
Cash flows from noncapital financing activities:								
State sources		76,240.97						76,240.97
Federal sources		2,718,367.88						2,718,367.88
Operating subsidies and transfers to other funds	(250,000.00)	(179,667.04)		(300,000.00)				(729,667.04)
Net cash provided by noncapital financing activities	(250,000.00)	2,614,941.81		(300,000.00)				2,064,941.81
Cash flows from capital and related financing activities:								
Purchases of capital assets								
Net cash provided by (used for) capital and related financing activities								
Net increase (decrease) in cash and cash equivalents	(399,937.61)	417,051.87	(19,628.04)	(371,126.84)	17,348.00	18,327.14		(337,965.48)
Cash and cash equivalents, July 1, 2020	755,183.26	142,280.91	166,610.32	536,910.76	9,749.21	21,584.20	4,971.34	1,637,290.00
Cash and cash equivalents, June 30, 2021	\$355,245.65	\$559,332.78	\$146,982.28	\$165,783.92	\$27,097.21	\$39,911.34	\$4,971.34	\$1,299,324.52
Reconciliation of operating income (loss) to net cash provided (used) by operating activities								
Operating income (loss)	(\$241,979.76)	(\$2,476,202.20)	(\$15,900.04)	(\$106,745.72)	\$6,148.00	(\$4,672.86)		(\$2,839,352.58)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:								
Depreciation		129,542.45						129,542.45
Federal commodities		183,027.18						183,027.18
Change in assets and liabilities:								
(Increase) decrease in other accounts receivable	80,170.82	(3,097.00)						(3,097.00)
Increase (decrease) in unearned revenue	13,911.98	(6,186.89)						158,717.93
Increase (decrease) in accounts payable	(2,040.65)	(34,717.01)	(3,728.00)	54,262.00	11,200.00	23,000.00		15,788.86
Increase (decrease) in compensated absences		9,743.53		(20,520.00)				(57,277.66)
(Increase) decrease in inventories	92,042.15	278,312.26	(3,728.00)	35,618.88	11,200.00	23,000.00		9,743.53
Net cash provided by (used for) operating activities	(\$149,937.61)	(\$2,197,889.94)	(\$19,628.04)	(\$71,126.84)	\$17,348.00	\$18,327.14		(\$2,402,907.29)

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

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Reporting Entity**

The Township of Jackson School District is a Type II District located in Ocean County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Jackson School District, comprised of seven elected individuals, is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39), as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government
2. The primary government, or its component unit, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, middle schools and high schools, located in the Township of Jackson. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation**

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

*District-wide Statements:* The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

*Fund Financial Statements:* During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds. Separate statements are presented for each fund category - governmental and proprietary. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE as the oversight entity believes that the presentation of all funds as major is important for the public interest and to promote consistency among District financial reporting models.

**Governmental Funds**

**General Fund** The general fund is the general operating fund of the District and is used to account for all expendable 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 Statement Department of Education, the District includes budgeted capital outlay in this fund. U.S. 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, district taxes, 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 the current expense by Board resolution; in certain instances, approval by the County Superintendent of Schools may also be required.

**Special Revenue Fund** The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Projects Funds** The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

**Proprietary Funds**

**Enterprise Fund** The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service Child Care, Community School, Preschool, Digital Media, Summer Electives and STEM Summer Camp programs operations. These funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (*i.e.* expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

**Recently Adopted Accounting Pronouncements**

Beginning with the year ended June 30, 2021, the District has implemented GASB Statement 84, *Fiduciary Activities*. The objective of this new Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Recently Adopted Accounting Pronouncements (Continued)**

As a result of the implementation of this Statement, the New Jersey Department of Education has made the following determinations as to the reporting of certain funds which, in prior years, have been reported as Fiduciary Activities:

<u>Activity</u>	Prior to implementation of <u>GASB 84</u>	After Implementation of <u>GASB 84</u>
Student Activity Funds	Fiduciary Fund	Special Revenue Fund
Payroll Agency Funds	Fiduciary Fund	General Fund
State Unemployment Compensation Fund	Fiduciary Fund	General Fund

**Basis of Accounting-Measurement Focus**

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements.

The District-wide and Proprietary Fund financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation for expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting-Measurement Focus (Continued)**

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**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 for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April 2013 school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. 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. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution. Budget amendments during the year ended June 30, 2021 totaled \$-0-.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (N.J.S.A. 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described below.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets/Budgetary Control (Continued)**

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 recognized 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 records.

**Encumbrance Accounting**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditures 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 unearned revenues at fiscal year end.

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

**Interfunds**

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Inventories and Prepaid Expenses**

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

**Capital Assets**

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

	<u>Estimated Life</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	10
Instructional Equipment	10
Grounds Equipment	15

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 amounts of vacation and sick leave in accordance with the District's personnel policy and/or collective bargaining unit contracts. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave and vacation days that are expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

**Fund Equity**

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

**Unearned Revenue**

Unearned revenue in the special revenue and proprietary funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is an allowable practice under generally accepted accounting principles.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported on the district-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long term debt is recognized as a liability on the fund financial statements when due.

**Net Position**

Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. 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. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**Fund Balance Restrictions**

GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions" modifies fund balance reporting and clarifies fund type definitions. This Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

Under the standard, in the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Excess Surplus, Student Activities and State Unemployment Insurance as Restricted Fund Balance.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Restrictions (Continued)**

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District’s highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District’s policy, amounts may be assigned by the Business Administrator. The District reports General Fund Year End Encumbrances and Designated for Subsequent Year’s Expenditure as Assigned Fund Balance.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**Revenues Exchange and Non-exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means within sixty days of the fiscal year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from property taxes is recognized in the period in which the income is earned.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues Exchange and Non-exchange Transactions (Continued)**

Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the District, these revenues are sales in the Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

**Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

**Extraordinary and Special Items**

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Management Estimates**

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

**Accounting and Financial Reporting for Pensions**

In the District-Wide Financial Statements 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 District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and 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.

In the Governmental Fund Financial Statements, the year-end net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1<sup>st</sup> of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial 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. Currently, the District has two items that qualify for reporting in this category, deferred amounts from refunding debt and deferred items that are pension related.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the District has two items that qualifies for reporting in this category, deferred amounts from refunding debt and deferred items that are pension related.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The Board considers petty cash, change funds, cash in banks, and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

**Deposits**

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), 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 the deposits to the governmental unit

The Township of Jackson School District had the following cash and cash equivalents at June 30, 2021:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 19,622,154.16
Proprietary Funds	1,460,071.04
Total Cash in Bank	\$ <u>21,082,225.20</u>
Less: Reconciling Items	<u>(5,383,293.79)</u>
	<u>\$ 15,698,931.41</u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Deposits**

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2021, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$21,082,225.20, \$250,000.00 was covered by Federal Depository Insurance \$19,430,457.86 was covered under the provisions of NJGUDPA. \$1,401,767.34 is cash held by fiscal agents and is therefor not cover by NJGUDPA.

**Investments**

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 C. 17:1941); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2021 the District had no investments.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 3: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	Deletions & <u>Transfers</u>	Ending <u>Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$15,707,450.00			\$15,707,450.00
Construction in Progress	14,387,951.81	\$16,359,970.38	(5,486,272.00)	25,261,650.19
Total Capital Assets not being depreciated	<u>30,095,401.81</u>	<u>16,359,970.38</u>	<u>(5,486,272.00)</u>	<u>40,969,100.19</u>
Site improvements	7,989,419.41	27,785.00	5,486,272.00	13,503,476.41
Buildings & Building Improvements	172,426,592.17	259,998.88		172,686,591.05
Machinery & Equipment	28,676,870.20	1,439,936.33	(5,880.00)	30,110,926.53
Totals at historical cost	<u>209,092,881.78</u>	<u>1,727,720.21</u>	<u>5,480,392.00</u>	<u>216,300,993.99</u>
Gross Assets (Memo only)	<u>239,188,283.59</u>	<u>18,087,690.59</u>	<u>(5,880.00)</u>	<u>257,270,094.18</u>
Less: Accumulated Depreciation				
Site improvements	(6,176,849.59)	(212,087.60)		(6,388,937.19)
Buildings & Building Improvements	(73,983,372.73)	(4,661,561.44)		(78,644,934.17)
Machinery & Equipment	(22,099,487.53)	(1,304,714.85)		(23,404,202.38)
Total Depreciation	<u>(102,259,709.85)</u>	<u>(6,178,363.89)</u>		<u>(108,438,073.74)</u>
Total capital assets being depreciated, net of depreciation	<u>106,833,171.93</u>	<u>(4,450,643.68)</u>	<u>5,480,392.00</u>	<u>107,862,920.25</u>
Total Governmental Fund Activities, net	<u>\$136,928,573.74</u>	<u>\$11,909,326.70</u>	<u>(\$5,880.00)</u>	<u>\$148,832,020.44</u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 3: CAPITAL ASSETS (CONTINUED)**

	Beginning <u>Balance</u>	<u>Additions</u>	Deletions & <u>Transfers</u>	Ending <u>Balance</u>
Proprietary Activities:				
Buildings & Building Improvements	\$1,009,964.99			\$1,009,964.99
Machinery & Equipment	<u>1,195,659.34</u>			<u>1,195,659.34</u>
Totals at historical cost	<u>2,205,624.33</u>			<u>2,205,624.33</u>
Less: Accumulated Depreciation				
Buildings & Building Improvements	(164,119.31)	(50,498.69)		(214,618.00)
Machinery & Equipment	<u>(959,073.49)</u>	<u>(79,043.76)</u>		<u>(1,038,117.25)</u>
Total Depreciation	<u>(1,123,192.80)</u>	<u>(129,542.45)</u>		<u>(1,252,735.25)</u>
Total Proprietary Fund Activities, net	<u>\$1,082,431.53</u>	<u>(\$129,542.45)</u>		<u>\$952,889.08</u>

Depreciation expense was charged to functional expenses areas of the District for Governmental Activities as follows:

Instruction:	
Regular	(\$48,780.82)
Special Education Instruction	(4,956.81)
Instruction other	(27,605.97)
Support services:	
Student & Instruction Related Services	(72,073.32)
Central Service/Adm Tech	(186,797.63)
Plant Operations & Maintenance	(207,825.55)
Pupil transportation	(839,938.43)
Direct Expense of various functions	<u>(4,790,385.36)</u>
	<u>(\$6,178,363.89)</u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES**

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2021:

Governmental Activities:

	Balance June 30, <u>2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2021</u>	Amounts due Within <u>one year</u>
Bonds Payable	\$49,570,000.00		\$6,205,000.00	\$43,365,000.00	\$6,500,000.00
Unamortized Bond Premium	3,353,020.46		489,093.66	2,863,926.80	489,093.66
Compensated Absences	7,058,457.53		172,313.71	6,886,143.82	
Capital Leases Payable	27,847,353.13	982,000.00	2,005,369.07	26,823,984.06	2,015,101.04
Pension Liability	46,374,151.00		3,808,886.00	42,565,265.00	
Balance June 30, 2021	<u>\$134,202,982.12</u>	<u>\$982,000.00</u>	<u>\$12,680,662.44</u>	<u>\$122,504,319.68</u>	<u>\$9,004,194.70</u>

Business-Type Activities:

	Balance June 30, <u>2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, <u>2021</u>	Amounts due Within <u>one year</u>
Compensated Absences	\$183,136.48		57,277.66	\$125,858.82	-0-
Balance June 30, 2021	<u>\$183,136.48</u>		<u>57,277.66</u>	<u>\$125,858.82</u>	<u>-0-</u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

Debt Service Requirements:

The annual requirements to amortize all debt outstanding as of June 30, 2021, including interest payments on issued debt, are as follows:

Fiscal Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30,</u> FY2022	\$6,500,000.00	\$1,936,437.50	\$8,436,437.50
FY2023	6,825,000.00	1,605,812.50	8,430,812.50
FY2024	7,175,000.00	1,258,500.00	8,433,500.00
FY2025	7,470,000.00	962,300.00	8,432,300.00
FY2026	7,835,000.00	598,450.00	8,433,450.00
FY2027	7,560,000.00	226,800.00	7,786,800.00
	<u>\$43,365,000.00</u>	<u>\$6,588,300.00</u>	<u>\$49,953,300.00</u>

Refunding bonds payable with their outstanding balances are comprised of the following individual issues:

<u>Issue</u>	<u>Amount Outstanding June 30, 2021</u>
\$87,650,000.00 in Refunding School Bonds dated April 13, 2007, due in remaining annual installments ranging between \$5,650,000.00 and \$5,945,000.00 beginning June 15, 2022 and ending June 15, 2023 with interest from 2.00% to 5.25%	\$11,595,000.00
\$21,150,000.00 in Refunding Bonds dated September 14, 2016 due in remaining annual installments ranging between \$6,255,000.00 and \$7,560,000.00 beginning June 15, 2024 and ending June 15, 2027 with interest from 2.00% to 5.00%	27,150,000.00
\$7,890,000.00 in Refunding School Bonds dated September 11, 2014, due in remaining annual installments ranging between \$850,000.00 and \$1,005,000.00 beginning February 1, 2022 and ending February 1, 2026 with interest from 3.00% to 5.00%	4,620,000.00
	<u>\$43,365,000.00</u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

**Refunding School Bonds**

The District's outstanding Bonds Payable include Refunding Bonds. As a result of these refundings, the Statement of Net Assets reflect Deferred Outflows for Losses on Refunding Bonds and Deferred Inflows for Gains on Refunding Bonds. Under the escrow agreements, the escrows are irrevocably pledged to the payment of principal and interest on the refunded bonds. As a result, the refunded obligations are considered to be defeased and the liability for those bonds have been removed from the financial statements.

The balance of the Deferred Outflows and Inflows resulting from the Bond Refunding as well as the FY2021 activity is reflected below.

Deferred Outflow - Loss on Refunding of Long Term Debt

	Balance June 30, <u>2020</u>	<u>Reductions</u>	Balance June 30, <u>2021</u>
2006 Refunding	\$765,516.10	\$109,359.44	\$656,156.66
2014 Refunding	40,363.64	6,727.27	33,636.37
	<u>\$805,879.74</u>	<u>\$116,086.71</u>	<u>\$689,793.03</u>

Deferred Inflow - Gain on Refunding of Long Term Debt

	Balance June 30, <u>2020</u>	<u>Reductions</u>	Balance June 30, <u>2021</u>
2016 Refunding	\$2,392,727.27	\$341,818.19	\$2,050,909.08
	<u>\$2,392,727.27</u>	<u>\$341,818.19</u>	<u>\$2,050,909.08</u>

**Bonds Authorized But Not Issued**

As of June 30, 2021, the District had \$-0- in Bonds Authorized But Not Issued.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

**Capital Leases Payable**

The District is leasing school buses and improvements totaling \$30,714,000.00. The capital leases for the buses are for terms of five years. The improvements are financed through the Energy Savings Incentive Program (ESIP) which has term of 19 years. The following is a schedule of the future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, 2021:

Fiscal Year Ended	Governmental
<u>June 30,</u>	<u>Funds</u>
2022	\$2,598,453.96
2023	1,900,641.97
2024	1,721,013.87
2025	1,626,417.17
2026	1,419,200.00
2027-2031	7,620,880.00
2032-2036	8,565,850.00
2037-2039	<u>7,616,048.77</u>
Total Minimum Lease Payments	33,068,505.74
Less: Amount Representing Interest	<u>6,244,521.68</u>
Present Value of Lease Payments	<u><u>\$26,823,984.06</u></u>

**Operating Leases**

The District has one commitment to lease technology equipment under an operating lease that expires on April 10, 2022. Future minimum lease payments are as follows:

Fiscal Year Ended	Governmental
<u>June 30,</u>	<u>Funds</u>
2022	<u>\$381,080.33</u>
Total Minimum Lease Payments	<u><u>\$381,080.33</u></u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 5: PENSION PLANS**

**Description of Plans** All required employees of the District are covered by the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of each system will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the above systems. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on line at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Teachers' Pension and Annuity Fund (TPAF)** The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state administered retirement system or other state or local jurisdiction.

**Defined Contribution Retirement Program (DCRP)** The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Significant Legislation**

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

As a result of these changes new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

**Funding Changes**

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

**COLA Suspension**

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

**Vesting and Benefit Provisions** The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

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.

**Contribution Requirements** The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. As of April 1, 2018 employee contributions rates were increased to 7.50%

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Contribution Requirements (Continued)**

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (i.e., the State of New Jersey makes the employer contribution on behalf of public school districts.

Three Year Trend Information for PERS

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2021	\$2,855,412.00	100%	-0-
2020	\$2,512,753.00	100%	-0-
2019	\$2,503,694.00	100%	-0-

Three Year Trend Information for TPAF (On-behalf Contribution)

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2021	\$15,541,741.00	100%	-0-
2020	\$12,006,696.00	100%	-0-
2019	\$10,682,131.00	100%	-0-

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2021, 2020 and 2019 \$4,144,200.98, \$4,237,122.23 and \$4,189,742.02 respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS)**

At June 30, 2021, the District reported a liability of \$42,565,265.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.2610183409 percent, which was an increase of 0.0036484417 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$1,429,715.00 in the district-wide financial statements. This pension expense was based on the pension plans June 30, 2020 measurement date.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$775,044	\$150,529
Changes of assumptions	1,380,865	17,822,479
Net difference between projected and actual earnings on pension plan investments	1,454,915	
Changes in proportion and differences between District contributions and proportionate share of contributions	1,663,850	28,574
District contributions subsequent to the measurement date	<u>3,096,195</u>	
	<u>\$8,370,869</u>	<u>\$18,001,582</u>

The \$3,096,195.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e., for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

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

Year Ended <u>June 30</u>	<u>Amount</u>
2021	(\$5,014,108)
2022	(4,542,461)
2023	(2,455,749)
2024	(798,264)
2025	<u>83,674</u>
	<u><u>(\$12,726,908)</u></u>

**Actuarial Assumptions**

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. These actuarial valuations used the following assumptions:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Inflation rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Through 2026	2.00%-6.00%	2.00%-6.00%
	Based on Years of Service	Based on Years of Service
Thereafter	3.00%-7.00%	3.00%-7.00%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions (Continued)**

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.

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2020 and June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Estate Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% and 6.28% as of June 30, 2020 and June 30, 2019, respectively. 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 and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Discount Rate (Continued)**

Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate

:

	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the net pension liability	\$54,003,910	\$42,565,265	\$33,477,980

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 by visiting <http://www.state.nj.us/treasury/pensions>.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2021 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$360,459,863</u>
	<u><u>\$360,459,863</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 which was rolled forward to June 30, 2020. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2020, the proportion of the TPAF net pension liability associated with the District was .5474053903% which was an increase of .0042714690 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized on-behalf pension expense and revenue of \$22,414,929.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2020 measurement date.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions**

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Inflation rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Through 2026	1.55%-4.45%	1.55%-4.55%
	Based on Years of Service	Based on Years of Service
Thereafter	2.75%-5.65%	2.00%-5.65%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%

**Mortality Rate**

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% and 7.00% at June 30, 2020 and June 30, 2019 respectively) 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, 2020 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Estate Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 5.40% and 5.60% as of June 30, 2020 and 2019, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30, 2020 and 2019, and a municipal bond rate of 2.21% and 3.50% as of June 30, 2020 and 2019, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 by visiting <http://www.state.nj.us/treasury/pensions>.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75**

**Plan Description and Benefits Provided**

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which 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 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. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Employees Covered by Benefit Terms**

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	149,304
Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>368,108</u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Total Non-Employer OPEB Liability**

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2021 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	448,229,456
	\$448,229,456

The total Non-Employer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

The total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2021, the District recognized on-behalf post-employment expense and revenue of \$22,263,837 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2020 measurement date.

At June 30, 2020, the District's proportion was .6610082630 percent, which was an increase of .0074256124 from its proportion measured as of June 30, 2019.

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

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Actuarial Assumptions and Other Inputs**

The total Non-Employer OPEB liability that was associated with the District as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. 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:

	<u>June 30, 2020</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases			
Through 2026	1.55-4.45%*	2.00-6.00%*	3.25-15.25%*
Thereafter	1.55-4.45%*	3.00-7.00%*	Applied to All Future Years

	<u>June 30, 2019</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
CPI – 2.5%			
Salary Increases			
Through 2026	1.55-3.05%*	2.00-6.00%*	3.25-15.25%*
Thereafter	1.55-3.05%*	3.00-7.00%*	Applied to All Future Years

\*Based on Years of Service

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Actuarial Assumptions and Other Input (Continued)**

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015— June 30, 2018, July 1, 2014 — June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS and PFRS, respectively.

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**Discount Rate**

The discount rate for June 30, 2020 and June 30, 2019 was 2.21% and 3.50% respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Changes in the Total Non-Employer OPEB Liability**

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2019 to June 30, 2020.

Balance at 6/30/19		\$272,734,034
Changes for the year:		
Service cost	11,043,058	
Interest	9,800,918	
Differences between expected and actual experience	80,342,115	
Changes in assumptions or other inputs	81,876,119	
Membership Contributions	236,518	
Benefit payments - Net	<u>(7,803,306)</u>	
Net changes		<u>175,495,422</u>
Balance at 6/30/20		<u><u>\$448,229,456</u></u>

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate**

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the total Non-Employer 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, 2020		
	1.00% Decrease (1.21%)	At Discount Rate (2.21%)	1.00% Increase (3.21%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$540,363,745	\$448,229,456	\$376,189,315

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends**

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>1.00%</u> <u>Decrease</u>	<u>June 30, 2020</u> <u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1.00%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$361,825,932	\$448,229,456	\$551,116,849

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability**

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	<u>Deferred</u> <u>Outflow of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflow of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 68,052,908	\$ 60,619,109
Changes of assumptions	76,242,354	51,145,520
Changes in proportion	<u>7,607,761</u>	<u>231,684</u>
	<u>\$ 151,903,023</u>	<u>\$ 111,996,313</u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability associated with the District will be recognized in OPEB expense as follows:

Measurement Period Ended	<u>Amount</u>
<u>June 30,</u>	
2021	\$1,762,360
2022	\$1,762,360
2023	\$1,762,360
2024	\$1,762,360
2025	\$1,762,360
Total Thereafter	<u>\$31,094,908</u>
	<u><u>\$39,906,710</u></u>

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

**State Health Benefit Local Education Retired Employee Plan Information**

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**NOTE 8: LITIGATION**

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 9: CONTINGENCIES**

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2020-2021 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000.00 Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

**NOTE 10: 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.

**Health Benefits** In July 2019, the District entered into a self-funded insurance plan with Horizon Blue Cross/Blue Shield for medical, dental, vision and prescription coverage. To mitigate any potential losses, the District purchased stop loss insurance for claims in excess of \$200,000. An accrued liability in the amount of \$2,885,293.00 has been recorded in the general fund financial statements for incurred but not reported claims (IBNR). The IBNR liability for medical and prescription claims has been calculated by the District based on actual claims reported through June 30, 2021. The IBNR is adjusted for changes in estimate at year end and such changes are reflected in the district's budget and the entire liability is treated as a liability for budgetary purposes.

**Property and Liability Insurance** The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 10: RISK MANAGEMENT**

**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. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance for the current and previous two years:

Year Ended June 30,	Interest	Employee Contributions	Amount Reimbursed	Ending Balance	Analysis of Balance 06/30/21	
					State Unemployment Insurance Payable	Restricted Fund Balance
2021	\$21,625.44	\$138,859.60	\$80,600.50	\$943,769.74	\$58,259.10	\$885,510.64
2020	18,833.61	146,646.88	34,018.92	863,885.20	N/A	N/A
2019	8,649.62	143,270.02	34,526.26	732,423.63	N/A	N/A

As discussed in Note 1, the District implemented GASB 84 in FY2021. As a result, the year-end balance is now presented in the General Fund.

**NOTE 11: COMPENSATED ABSENCES**

The District accounts for compensated absences (e.g. unused vacation and 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 amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2021, a liability existed for compensated absences for governmental fund-types in the district- wide statement of net position of \$6,886,143.82.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 11: COMPENSATED ABSENCES**

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2021 a liability existed for compensated absences in the proprietary funds of \$160,575.83.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

**NOTE 12: FUND BALANCE APPROPRIATED**

**General Fund** The table below reflects the District's Fund Balance at June 30, 2021 on both a GAAP (Exhibit B-1) and Budgetary (Exhibit C-1) basis including the required adjustment related to the last state aid payment which under GAAP is not recognized:

	<u>Budgetary</u> <u>Basis</u>	<u>Adjustment</u>	<u>GAAP</u> <u>Basis</u>
Restricted:			
Excess Surplus:			
Designated for Subsequent			
Year's Expenditures	\$ 1,869,262.40	\$ (1,869,262.40)	
Current Year			
Capital Reserve	1,879,269.64		1,879,269.64
State Unemployment Insurance	885,510.64		885,510.64
Assigned:			
Designated for Subsequent			
Year's Expenditures	4,539,267.60		4,539,267.60
SEMI/FFCRA - designated for			
subsequent year expenditure	25,851.85		25,851.85
Encumbrances	99,236.03	(99,236.03)	
Unassigned	<u>2,652,100.55</u>	<u>(2,279,009.57)</u>	<u>373,090.98</u>
	<u>\$ 11,950,498.71</u>	<u>\$ (4,247,508.00)</u>	<u>\$ 7,702,990.71</u>

**Debt Service Fund** Of the \$305,508.49 in Debt Service Fund Balance at June 30, 2021, \$201,081.49 is restricted in accordance with N.J.S.A. 18A:7F-41c(2) and \$104,427.00 is assigned and has been appropriated and included as anticipated revenue for the year ended June 30, 2022.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS**

**Calculation of Excess Surplus** In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2007, c73 (S1701), the Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if the District did not appropriate a required minimum amount as budgeted fund balance in the subsequent year's budget.

General Fund Expenditures:		
Fiscal Year Ended, June 30 2021		\$180,435,062.61
Less:		
Reimb. TPAF Pension Contributions	\$20,807,138.00	
Reimb. TPAF Social Security Contributions	4,144,200.98	
Capital Leases	<u>17,331,163.70</u>	
		42,282,502.68
Adjusted General Fund Expenditures		<u>\$138,152,559.93</u>
Excess Surplus Percentage		4.00%
		<u>\$5,526,102.40</u>
Increased by:		
Extraordinary Aid (unbudgeted)	\$630,510.00	
Non-Public Transportation Aid (unbudgeted)	<u>387,932.00</u>	
		<u>1,018,442.00</u>
Maximum Unreserved/Undesignated General Fund Balance		\$6,544,544.40
Actual Unassigned General Fund Balance		<u>2,652,100.55</u>
Excess Surplus		<u><u>-0-</u></u>
Recapitulation of Excess Surplus, June 30, 2021:		
Restricted for Excess Surplus - Designated for Subsequent Year's Expenditure		\$1,869,262.40
Restricted for Excess Surplus		<u>-0-</u>
		<u><u>\$1,869,262.40</u></u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS (CONTINUED)**

Based on the preceding calculation, as of June 30, 2021, \$1,869,262.40 is reported as Restricted Fund Balance Excess Surplus Designated for Subsequent Year's Expenditure and is required to be appropriated for property tax relief in the 2021-22 budget.

**NOTE 14: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at June 30, 2021:

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 757,987.06	\$
Special Revenue Fund		636,476.84
Debt Service Fund		119,328.86
Enterprise Fund		2,181.36
	\$ 757,987.06	\$ 757,987.06
	\$ 757,987.06	\$ 757,987.06

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 15: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Township of Jackson Board of Education 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 of Education, 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 appropriations, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special election dates authorized by N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A: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, 2020 to June 30, 2021 fiscal year is as follows:

Balance, June 30, 2020 (Budgetary Basis)	\$	1,358,531.64
Interest Earnings		21,038.00
Deposits:		
Board Resolution dated 06/30/21	\$	<u>500,000.00</u>
		<u>500,000.00</u>
Balance, June 30, 2021 (Budgetary Basis)	\$	<u><u>1,879,569.64</u></u>

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 16: INVENTORY**

Inventory in the Food Service Fund at June 30, 2021 consisted of the following:

Food and Supplies	<u>\$54,341.87</u>
-------------------	--------------------

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act Amendment of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

**NOTE 17: TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. 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. The District has identified agreements that have been entered into by Jackson Township that require disclosure under this statement. The gross dollar amount, on an accrual basis, by which the District's property tax revenues were potentially reduced during the reporting period as a result of tax abatement agreements totaled \$192,551.14. It is important to note that the District Tax Levy is guaranteed to be paid in full by the municipalities and that the District collected its full tax levy for FY2021.

**NOTE 18: SUBSEQUENT EVENTS**

The Board of Education has evaluated subsequent events occurring after the financial statement date through January 27, 2022 which is the date the financial statements were available to be issued. The District has determined that the following subsequent event requires disclosure:

The District's General Fund budget derives a material amount of its support in the form of Unrestricted State Aid. The State of NJ passed legislation known as 'S2' in 2018, which is adversely affecting many Ocean County School Districts. For Jackson, it is estimated to cut state aid by as much as \$18,000,000 over seven years (FY19 to FY25). The District stands to lose \$4.3 million in FY2022. There is uncertainty regarding the methodology and amount of funding of the state's portion of educational aid and the District is pursuing avenues to get answers for their methodology.

**Jackson Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 19: PRIOR PERIOD ADJUSTMENTS**

As of July 1, 2020, the District implemented GASB Statement No. 84 Fiduciary Activities (GASB 84). Certain agency funds previously accounted for activities that are not considered fiduciary in nature and are now reported in the Governmental Funds. The District restated the net position and fund balance of the funds indicated below to appropriately reflect the June 30, 2020 balances as follows:

District-Wide Financial Statements:

	<u>Governmental Activities</u>
Beginning Net Position 06/30/20	\$19,727,037.61
Adjustments:	
Unemployment Compensation	863,885.20
Student Activity Fund Balance	<u>664,354.08</u>
Beginning Net Position 06/30/20 (As restated)	<u><u>\$21,255,276.89</u></u>

Fund Financial Statements:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Fiduciary Fund</u>
Fund Balance 06/30/20	\$7,939,331.32		\$1,528,239.28
Adjustments:			
Unemployment Compensation Fund	863,885.20		(863,885.20)
Student Activity Fund Balance	<u>664,354.08</u>	<u>\$664,354.08</u>	<u>                    </u>
Fund Balance 06/30/20 (As restated)	<u><u>\$8,803,216.52</u></u>	<u><u>\$664,354.08</u></u>	<u><u>-0-</u></u>

	<u>Fiduciary Fund</u>
Liabilities Balance 06/30/20	\$4,873,771.34
Payroll deductions and withholdings	(\$4,209,417.26)
Due to student groups	<u>(664,354.08)</u>
Liabilities 06/30/20 (As restated)	<u><u>\$-0-</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 87,894,569.00	\$	\$ 87,894,569.00	\$ 87,894,569.00	\$
Tuition from Other LEAs Within State	3,515,385.00		3,515,385.00	422,568.87	422,568.87
Unrestricted Miscellaneous Revenues	105.00		105.00	1,978,194.59	(1,537,190.41)
Interest Earned on Capital Reserve Funds				21,038.00	20,983.00
Other Restricted Miscellaneous Revenues				21,625.44	21,625.44
<b>Total Local Sources</b>	<b>91,410,059.00</b>		<b>91,410,059.00</b>	<b>90,337,995.90</b>	<b>(1,072,063.10)</b>
State Sources:					
Categorical Transportation Aid	601,355.00		601,355.00	601,355.00	
Extraordinary Aid	1,300,000.00		1,300,000.00	1,930,510.00	630,510.00
Categorical Special Education Aid	5,211,500.00		5,211,500.00	5,211,500.00	
Equalization Aid	36,323,732.00		36,323,732.00	36,323,732.00	
Categorical Security Aid	854,977.00		854,977.00	854,977.00	
Other State Aids				387,932.00	387,932.00
On-behalf TPAF Contributions-non-budgeted				15,541,741.00	15,541,741.00
On-behalf TPAF N.C.G.I.-non-budgeted				295,702.00	295,702.00
Reimbursed TPAF Soc. Sec.Contribution-non-budgeted				4,144,200.98	4,144,200.98
Post Retirement Medical-non budgeted				4,963,208.00	4,963,208.00
Long Term Disability Insurance				6,487.00	6,487.00
<b>Total State Sources</b>	<b>44,291,564.00</b>		<b>44,291,564.00</b>	<b>70,261,344.98</b>	<b>25,969,780.98</b>
Federal Sources:					
Medicaid Reimbursement	196,760.00		196,760.00	275,545.37	78,785.37
Medicaid Reimbursement-FFCRA				25,851.85	25,851.85
<b>Total Federal Sources</b>	<b>196,760.00</b>		<b>196,760.00</b>	<b>301,397.22</b>	<b>104,637.22</b>
<b>Total Revenues</b>	<b>135,898,383.00</b>		<b>135,898,383.00</b>	<b>160,900,738.10</b>	<b>25,002,355.10</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Instruction - Regular Programs:					
Kindergarten		(165,000.00)	1,538,306.00	1,516,258.94	22,047.06
Grades 1-5	10,660,080.19	(397,173.99)	10,262,906.20	10,215,270.92	47,635.28
Grades 6-8	8,408,478.00	326,829.82	8,735,307.82	8,735,307.82	
Grades 9-12	10,753,654.00	501,259.73	11,254,913.73	11,242,673.16	12,240.57
Salaries of teachers	150,000.00		150,000.00	20,102.25	129,897.75
Purchase of professional educational services	95,000.00	(83,324.00)	11,676.00	8,537.13	3,138.87
Regular programs - undistributed instruction:					
Purchased professional - educational services	1,421,500.00	(52,166.34)	1,369,333.66	1,308,753.30	60,580.36
Other purchased services (400 - 500 series)	929,033.00	348,421.95	1,277,454.95	1,201,089.12	76,365.83
General supplies	1,243,714.16	(268,079.43)	975,634.73	758,642.70	216,992.03
Textbooks	21,960.00	(18,552.00)	3,408.00	1,510.62	1,897.38
Other objects	141,816.00	70,424.91	212,240.91	208,508.13	3,732.78
<b>Total regular programs</b>	<b>35,528,541.35</b>	<b>262,640.65</b>	<b>35,791,182.00</b>	<b>35,216,654.09</b>	<b>574,527.91</b>

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>Instruction - Special Education:</b>					
<b>Learning and/or Language Disabilities:</b>					
Salaries of Teachers	128,595.00	2,133.99	130,728.99	130,728.99	\$ 5,896.00
Other salaries for instruction	72,332.00	(30,000.00)	42,332.00	36,436.00	0.24
Purchased Professional-Educational Services	3,000.00	(2,675.00)	325.00	324.76	
General Supplies	49,240.00	(1,083.00)	48,157.00	33,015.83	15,141.17
Textbooks	316.00		316.00	316.00	
Total Learning and/or Language Disabilities	253,483.00	(31,624.01)	221,858.99	200,505.58	21,353.41
Behavioral Disabilities:					
Salaries of Teachers	571,612.00	(50,000.00)	521,612.00	483,044.87	38,567.13
Other Salaries for Instruction	427,725.00	(76,347.93)	351,377.07	339,449.46	11,927.61
Purchased Professional-Educational Services	15,000.00	(11,947.00)	3,053.00	3,052.65	0.35
Total Behavioral Disabilities	1,014,337.00	(138,294.93)	876,042.07	825,546.98	50,495.09
Multiple Disabilities:					
Salaries for Teachers	828,125.00	422,974.61	1,251,099.61	1,235,751.34	15,348.27
Other Salaries for Instruction	1,091,168.00	185,284.27	1,276,452.27	1,274,191.83	2,260.44
Purchased Prof.-Educ Services	7,500.00	(7,500.00)			
General Supplies	42,760.00	(5,150.00)	37,610.00	17,937.91	19,672.09
Textbooks		5,150.00	5,150.00	5,133.27	16.73
Total Multiple Disabilities	1,969,553.00	600,758.88	2,570,311.88	2,533,014.35	37,297.53
Resource Room / Resource Center:					
Salaries of Teachers	10,319,832.00	(906,092.53)	9,413,739.47	9,332,846.91	80,892.56
Other salaries for instruction	2,780,049.00	(297,761.62)	2,482,287.38	2,419,030.19	63,257.19
Purchased Professional-Educational Services	249,761.00	(180,821.76)	68,939.24	67,690.95	1,248.29
General Supplies	150,815.00	(2,565.40)	148,249.60	73,608.94	74,640.66
Textbooks	966.00		966.00	966.00	
Total Resource Room / Resource Center	13,501,423.00	(1,387,241.31)	12,114,181.69	11,893,176.99	221,004.70
Preschool Disabilities - Part - Time:					
Salaries of Teachers	326,645.00	110.10	326,755.10	326,755.08	0.02
Other Salaries for Instruction	109,027.00	(27,988.50)	81,038.50	62,661.75	18,376.75
General Supplies	37,322.16	(5,187.00)	32,135.16	26,947.86	5,187.30
Total Preschool Disabilities - Part - Time	472,994.16	(33,065.40)	439,928.76	416,364.69	23,564.07
Preschool Disabilities - Full - Time:					
Salaries of Teachers	221,737.00	152,180.81	373,917.81	361,930.36	11,987.45
Other Salaries for Instruction	665,216.00	327,565.00	992,781.00	989,892.17	2,888.83
Purchased Professional-Educational Services	10,000.00	(10,000.00)			
Supplies and Materials	25,380.00	9,888.00	35,268.00	32,799.96	2,468.04
Total Preschool Disabilities - Full - Time	922,333.00	479,633.81	1,401,966.81	1,384,622.49	17,344.32
Total Special Education	18,134,123.16	(509,832.96)	17,624,290.20	17,253,231.08	371,059.12

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Basic Skills / Remedial:					
Salaries of Teachers	270,450.00 \$	33,976.00 \$	304,426.00 \$	169,075.99 \$	135,350.01
Other Purchased Services (400-500 series)	1,133.00		1,133.00	907.21	225.79
Total Basic Skills / Remedial	271,583.00	33,976.00	305,559.00	169,983.20	135,575.80
Bilingual Education Instruction:					
Salaries of Teachers	371,379.00	18,932.24	390,311.24	390,311.24	
Total Bilingual Education Instruction	371,379.00	18,932.24	390,311.24	390,311.24	
School Sponsored Co-Curricular Activities:					
Salaries	501,191.00		501,191.00	465,761.56	35,429.44
Total School Sponsored Co-Curricular Activities	501,191.00		501,191.00	465,761.56	35,429.44
School Sponsored Athletics:					
Salaries	1,273,083.00	793.40	1,273,886.40	1,243,631.62	30,254.78
Purchased Services (300-500 Series)	311,932.00	(28,584.35)	283,347.65	262,410.57	20,937.08
Supplies and Materials	196,008.48	(12,848.36)	183,160.12	169,939.18	13,220.94
Other Objects	21,480.00	(1,580.00)	19,900.00	17,672.98	2,227.02
Transfers to Cover Deficit (Agency Funds)	197,740.00		197,740.00	197,740.00	
Total School Sponsored Athletics	2,000,253.48	(42,219.31)	1,958,034.17	1,891,394.35	66,639.82
Other Instructional Programs - Instruction:					
Salaries	133,399.00	16,036.64	149,435.64	149,435.64	
Total Other Instructional Programs - Instruction:	133,399.00	16,036.64	149,435.64	149,435.64	
Total Other Instructional Programs	3,277,805.48	26,725.57	3,304,531.05	3,066,885.99	237,645.06
Total - Instruction	56,940,469.99	(220,466.74)	56,720,003.25	55,536,771.16	1,183,232.09
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's within the State - Regular	100,000.00	(94,637.00)	5,363.00	5,363.00	
Tuition to Other LEA's within the State - Special	155,294.00	26,419.00	181,713.00	181,712.76	0.24
Tuition to County Vocational School District - Regular	312,000.00	(109,122.00)	202,878.00	202,878.00	
Tuition to CSSD & Regional Day Schools	1,158,545.00	49,724.00	1,208,269.00	1,208,268.39	0.61
Tuition to Private Schools for the Handicapped w/in State	4,183,147.42	(1,147,826.53)	3,035,320.89	3,035,320.29	0.60
Tuition - State Facilities	97,797.00		97,797.00	97,797.00	
Tuition - Other	135,750.00	(135,750.00)			
Total Undistributed Expenditures - Instruction	6,142,533.42	(1,411,192.53)	4,731,340.89	4,731,339.44	1.45

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Attendance and Social Work Services:					
Salaries	152,287.00 \$	4,571.50 \$	156,858.50 \$	148,651.92 \$	8,206.58
Supplies and Materials	1,765.00		1,765.00	148.54	1,616.46
Other Objects	650.00		650.00	72.70	577.30
Total Attendance and Social Work Services	154,702.00	4,571.50	159,273.50	148,873.16	10,400.34
Health Services:					
Salaries	990,201.00	22,087.47	1,012,288.47	962,887.92	49,400.55
Purchased Professional and Technical Services	639,650.00	(485,344.00)	154,306.00	147,655.50	6,650.50
Other Purchased Services	1,860.00	(843.00)	1,017.00	92.47	924.53
Supplies and Materials	24,106.09	12,745.20	36,851.29	22,320.33	14,530.96
Other Objects	200.00		200.00		200.00
Total Health Services	1,656,017.09	(451,354.33)	1,204,662.76	1,132,956.22	71,706.54
Other Support Services - Speech, OT, PT & Related Services:					
Salaries	1,276,273.00	(36,701.70)	1,239,571.30	1,178,376.75	61,194.55
Supplies and Materials	2,640.00	(368.65)	2,271.35	1,750.69	520.66
Total Other Support Services - Speech, OT, PT & Related Services	1,278,913.00	(37,070.35)	1,241,842.65	1,180,127.44	61,715.21
Other Support Services - Students - Extra Services					
Salaries	2,271,682.00	(158,171.63)	2,113,510.37	1,800,715.32	312,795.05
Purchased Professional - Educational Services	505,500.00	(355,158.00)	150,342.00	149,180.33	1,161.67
Total Other Support Services - Students - Extra Services	2,777,182.00	(513,329.63)	2,263,852.37	1,949,895.65	313,956.72
Guidance:					
Salaries of Other Professional Staff	2,187,856.00	10,621.98	2,198,477.98	2,146,753.17	51,724.81
Salaries of Secretarial and Clerical Assistants	364,685.00	(17,628.90)	347,056.10	320,068.96	26,987.14
Other Salaries	4,500.00		4,500.00		4,500.00
Purchased Professional - Educational Services	9,150.00	(6,150.00)	3,000.00	2,400.00	600.00
Other Purchased Services	30,195.00	(171.00)	30,024.00	29,324.86	699.14
Supplies and Materials	35,486.00	(11,529.19)	23,956.81	21,150.97	2,805.84
Other Objects	6,835.00	(1,300.00)	5,535.00	4,400.00	1,135.00
Total Guidance	2,638,707.00	(26,157.11)	2,612,549.89	2,524,097.96	88,451.93

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>Child Study Teams:</b>					
Salaries of Other Professional Staff	2,711,629.00 \$	(31,088.51) \$	2,680,540.49 \$	2,553,617.30 \$	126,923.19
Salaries of Secretarial and Clerical Assistants	493,909.00	9,976.46	503,885.46	491,282.92	12,602.54
Salaries of ABA In Home Therapy	1,000.00		1,000.00	806.22	193.78
Purchased Professional Educational Services	367,177.00	(240,748.00)	126,429.00	113,968.65	12,460.35
Other Purchased Services (400-500 series)	30,837.00	(9,723.15)	21,113.85	18,319.32	2,794.53
Supplies and Materials	96,475.78	(21,298.71)	75,177.07	69,367.42	5,809.65
Other Objects	1,550.00		1,550.00	630.15	919.85
<b>Total Child Study Teams</b>	<b>3,702,577.78</b>	<b>(292,881.91)</b>	<b>3,409,695.87</b>	<b>3,247,991.98</b>	<b>161,703.89</b>
<b>Improvement of Instruction Services</b>					
Other Support Services - Instructional Staff:					
Salaries of Supervisors of Instruction	1,053,595.00	(21,220.24)	1,032,374.76	1,032,374.76	
Salaries of Other Professional Staff	48,748.00	2,723.15	51,471.15	51,471.15	
Salaries of Secretarial and Clerical Asss.	108,552.00	34,522.43	143,074.43	143,074.43	
Other Salaries	24,204.00	(15,171.02)	9,032.98	9,032.98	
Purchased Prof. and Educational. Services	116,109.00	(6,760.00)	109,349.00	109,349.00	
Other Purch Prof. and Tech. Services	5,800.00	(4,167.00)	1,633.00	911.94	721.06
Supplies and materials	3,600.00	(100.00)	3,500.00	2,586.52	913.48
<b>Total Improvement of Instruction Services /</b>	<b>1,360,608.00</b>	<b>(10,172.68)</b>	<b>1,350,435.32</b>	<b>1,348,800.78</b>	<b>1,634.54</b>
<b>Other Support Services - Instructional Staff</b>					
<b>Educational Media Services / School Library:</b>					
Salaries	1,044,350.00	(71,161.26)	973,188.74	960,856.26	12,332.48
Salaries of Technological Coordinators	258,864.00	(64,757.80)	194,106.20	194,106.20	
Other Purchased Services (400-500 Series)	19,391.00	(2,200.00)	17,191.00	15,272.60	1,918.40
Supplies and materials	48,772.00	1,712.61	50,484.61	49,448.25	1,036.36
<b>Total Educational Media Services / School Library</b>	<b>1,371,377.00</b>	<b>(136,406.45)</b>	<b>1,234,970.55</b>	<b>1,219,683.31</b>	<b>15,287.24</b>
<b>Instructional Staff Training Services:</b>					
Other Salaries	18,856.00		18,856.00		18,856.00
Other Purchased Professional - Educational Svces.	8,369.00	(8,369.00)		2,900.00	200.00
Other Purchased Services (400- 500)	43,493.00	(40,393.00)	3,100.00		200.00
Supplies and materials	200.00		200.00		3,100.00
Other Objects	3,100.00		3,100.00		
<b>Total Instructional Staff Training Services</b>	<b>74,018.00</b>	<b>(48,762.00)</b>	<b>25,256.00</b>	<b>2,900.00</b>	<b>22,356.00</b>

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Support Services General Administration:					
Salaries	\$ 291,341.00	\$ 6,473.67	\$ 297,814.67	\$ 294,572.29	\$ 3,242.38
Legal Services	285,000.00	11,407.00	296,407.00	289,203.14	7,203.86
Audit Fees	36,950.00		36,950.00	36,950.00	
Architectural/Engineering Services	70,000.00	(8,347.46)	61,652.54	61,152.54	500.00
Other Purchased Professional Services	33,400.00	(10,949.54)	22,450.46	22,450.00	0.46
Communications / Telephone	284,075.00	25,520.00	309,595.00	303,688.45	5,906.55
Board Travel Expense	6,400.00	(543.80)	5,856.20	3,475.51	2,380.69
Miscellaneous Expenditures	303,935.00	(706.64)	303,228.36	298,934.39	4,293.97
General Supplies	2,142.00		2,142.00		2,142.00
BOE In- House Training/ Meeting Supplies	250.00	33.27	283.27	283.27	
Judgements against the District	17,167.00	135,011.47	152,178.47	152,178.47	
Miscellaneous Expenditures	6,630.00	(151.00)	6,479.00	3,769.00	2,710.00
BOE Membership Dues and Fees	31,000.00	10,163.70	41,163.70	35,363.70	5,800.00
Total Support Services General Administration	1,368,290.00	167,910.67	1,536,200.67	1,502,020.76	34,179.91
Support Services School Administration:					
Salaries of Principals / Asst. Principals	3,781,536.00	788.00	3,782,324.00	3,776,036.56	6,287.44
Salaries of Other Professionals	343,368.00		343,368.00	343,367.50	0.50
Salaries of Secretarial and Clerical Assistants	1,437,275.00	25,438.84	1,462,713.84	1,385,525.32	77,188.52
Other Salaries	15,550.00	397.00	15,947.00	7,108.50	8,838.50
Purchased Professional and Technical Services	20,000.00		20,000.00	20,000.00	
Other Purchased Services(400-500 series)	13,725.00	(2,305.44)	11,419.56	8,570.33	2,849.23
Supplies and Materials	66,425.00	(17,785.41)	48,639.59	36,511.41	12,128.18
Other Objects	58,838.00	(1,272.28)	57,565.72	49,473.83	8,091.89
Total Support Services School Administration	5,736,717.00	5,260.71	5,741,977.71	5,626,593.45	115,384.26
Central Service:					
Salaries	1,355,297.00	1,798.16	1,357,095.16	1,258,333.93	98,761.23
Purchased Professional Services	24,650.00	2,000.00	26,650.00	26,201.86	448.14
Misc. Purch Services (400-500)	54,545.00	(28,166.00)	26,379.00	17,319.41	9,059.59
Supplies and Materials	59,467.00	(21,775.00)	37,692.00	23,681.20	14,010.80
Interest on Current Loans	100,154.00	(20,782.07)	79,371.93	79,371.18	0.75
Miscellaneous Expenditures	23,996.00	(11,609.00)	12,387.00	10,740.30	1,646.70
Total Central Service	1,618,109.00	(78,533.91)	1,539,575.09	1,415,647.88	123,927.21
Administrative Information Technology:					
Salaries	272,603.00	74,728.60	347,331.60	332,635.03	14,696.57
Purchased Professional Services	630,430.00	136,811.62	767,241.62	767,241.62	
Other Purchased Services	121,370.00	42,000.14	163,370.14	162,430.51	939.63
Supplies and Materials	127,511.00	(46,512.78)	80,998.22	78,812.58	2,185.64
Other objects	5,580.00	(4,631.00)	949.00	949.00	
Total Administrative Information Technology	1,157,494.00	202,396.58	1,359,890.58	1,342,068.74	17,821.84

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Required Maintenance for School Facilities:					
Salaries	\$ 868,621.00	(17,131.60)	\$ 851,489.40	\$ 798,921.36	\$ 52,568.04
Cleaning, Repair and Maintenance Services	341,822.00	107,030.25	448,852.25	448,845.85	6.40
General Supplies	268,394.00	(58,175.76)	210,218.24	188,641.59	21,576.65
Other Objects	1,500.00	(1,500.00)			
Total Required Maintenance for School Facilities	1,480,337.00	30,222.89	1,510,559.89	1,436,408.80	74,151.09
Custodial Services:					
Salaries	3,673,345.00	9,237.52	3,682,582.52	3,451,619.89	230,962.63
Salaries of Non-Instructional Aides	477,556.00	46,334.59	523,890.59	436,188.31	87,702.28
Purchased Professional and Technical Services	86,479.00	(33,205.00)	53,274.00	52,383.08	890.92
Cleaning, Repair and Maintenance Services	112,299.00	(77,831.32)	34,467.68	25,747.35	8,720.33
Lease Purchase Pymts- Energy Savings Impr Prog	1,105,000.00		1,105,000.00	1,105,000.00	
Other Purchased Property Services	241,428.00	(99,506.00)	141,922.00	141,916.05	5.95
Insurance	785,949.00	(28,634.00)	757,315.00	757,315.00	
Miscellaneous Purchased Services	26,610.00	(16,691.00)	9,919.00	7,523.63	2,395.37
General Supplies	261,075.00	(28,869.04)	232,205.96	232,037.19	168.77
Energy (Natural Gas)	182,344.00	159,326.58	341,670.58	330,344.30	11,326.28
Energy (Heat and Electricity)	1,216,209.00	453,896.33	1,670,105.33	1,657,640.06	12,465.27
Energy (Oil)	115,527.00	(109,976.71)	5,550.29	1,755.26	3,795.03
Other Objects	6,336.00	(3,167.00)	3,169.00	3,168.25	0.75
Interest - Energy Savings Impr Prog Bonds	575,630.00		575,630.00	575,630.00	
Total Custodial Services	8,865,787.00	270,914.95	9,136,701.95	8,778,268.37	358,433.58
Care and Upkeep of Grounds:					
Salaries	731,646.00	(9,148.78)	722,497.22	658,437.22	64,060.00
Cleaning, Repair And Maintenance	90,466.00	(33,959.00)	56,507.00	56,506.37	0.63
General Supplies	78,967.00	20,990.00	99,957.00	99,956.17	0.83
Other Objects		1,100.00	1,100.00	1,076.85	23.15
Total Care and Upkeep of Grounds	901,079.00	(21,017.78)	880,061.22	815,976.61	64,084.61
Security:					
Salaries	602,033.00	17,146.84	619,179.84	604,122.03	15,057.81
Purchased Professional and Technical Services	173,000.00	4,627.00	177,627.00	177,626.30	0.70
Cleaning, Repair, and Maintenance Services	93,000.00	(47,988.00)	45,012.00	45,011.50	0.50
General Supplies	84,975.00	(77,425.81)	7,549.19	7,548.77	0.42
Total Security	953,008.00	(103,639.97)	849,368.03	834,308.60	15,059.43

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
\$	885,705.00	(105,031.44)	780,673.56	777,077.54	3,596.02
Student Transportation Services:					
Salaries of Non-Instructional Aides	4,121,651.00	113,620.58	4,235,271.58	3,987,224.20	248,047.38
Salaries for Pupil Transportation (Between Home and School) - Regular	820,366.00	22,061.16	842,427.16	650,941.35	191,485.81
Salaries for Pupil Transportation (Between Home and School) - Special	282,510.00		282,510.00	163,341.52	119,168.48
Salaries (Other than H & S)	98,959.00	22,766.09	121,725.09	114,428.59	7,296.50
Sal. for Pupil Trans(Bet. H&S) - NonPublic Sch	68,267.00	29,900.00	98,167.00	89,082.99	9,084.01
Management Fee- ESC & CTSA Trans. Program	71,417.00	19,087.00	90,504.00	88,185.33	2,318.67
Transportation- Other Purchased Prof & Tech	300,319.00	(70,238.00)	230,081.00	230,080.72	0.28
Cleaning, Repair and Maintenance Services	898,619.00	2,541.06	901,160.06	900,268.82	891.24
Lease Payments	908,000.00	419,632.00	1,327,632.00	1,327,632.00	
Contracted Services - Aid in Lieu Payments-NonPub Sch and School)	3,000.00	(2,000.00)	1,000.00	1,000.00	
Contracted Services (Other than Between Home and School) - Vendors	9,000.00	(5,000.00)	4,000.00	2,115.00	1,885.00
Contracted Svcs. (Spec. Ed. Stud.s) - Joint Agree. Contract. Serv (Reg. Students)-ESCs & CTSA	50,654.00	94,646.00	145,300.00	112,848.97	32,451.03
Contracted Svcs -(Spec.Ed. Stud) - ESCs & CTSA	1,612,843.00	133,859.00	1,746,702.00	1,582,482.97	164,219.03
Miscellaneous Purchased Services - Transportation	128,393.00	(737.00)	127,656.00	123,474.12	4,181.88
General Supplies	7,000.00	3,724.11	10,724.11	10,480.05	244.06
Transportation Supplies	1,780,750.00	(573,011.00)	1,207,739.00	1,133,409.38	74,329.62
Other Objects	1,700.00		1,700.00	382.72	1,317.28
Total Student Transportation Services	12,049,153.00	105,819.56	12,154,972.56	11,293,456.27	861,516.29
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	2,234,970.00	(323,210.00)	1,911,760.00	1,911,759.46	0.54
Other Retirement Contributions - PERS	2,821,915.00	81,364.00	2,903,279.00	2,903,278.32	0.68
Workmen's Compensation	1,063,827.00		1,063,827.00	1,063,827.00	
Health Benefits	22,590,366.00	2,755,389.00	25,345,755.00	24,991,547.85	354,207.15
Tuition Reimbursements	80,227.00	(20,000.00)	60,227.00	60,227.00	
Other Employee Benefits	590,388.00	(127,356.70)	463,031.30	461,372.98	1,658.32
Total Unallocated Benefits - Employee Benefits	29,381,693.00	2,366,186.30	31,747,879.30	31,392,012.61	355,866.69
On-Behalf TPAF Contributions (Non-Budgeted):					
On-behalf TPAF Contributions-non-budgeted				15,541,741.00	(15,541,741.00)
NCGI-non-budgeted				295,702.00	(295,702.00)
Post Retirement Medical-non budgeted				4,963,208.00	(4,963,208.00)
Reimbursed TPAF Social Security Contribution-non-budgeted				4,144,200.98	(4,144,200.98)
Long Term Disability Insurance				6,487.00	(6,487.00)
Total On-behalf TPAF Pension/Social Security				24,951,338.98	(24,951,338.98)
Total Undistributed Expenditures	84,668,302.29	22,764.51	84,691,066.80	106,874,767.01	(22,183,700.21)
TOTAL EXPENDITURES - CURRENT EXPENSE	141,608,772.28	(197,702.23)	141,411,070.05	162,411,538.17	(21,000,468.12)

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>ORIGINAL</u>	<u>BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>BUDGET</u>	<u>TRANSFERS AND</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>FAVORABLE/</u>
	<u>\$</u>	<u>AMENDMENTS</u>	<u>\$</u>	<u>\$</u>	<u>(UNFAVORABLE)</u>
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Preschool Equipment			6,929.00	\$ 6,928.89	\$ 0.11
Grades 1-5	10,823.00	38,946.54	49,769.54	35,375.98	14,393.56
Grades 6-8		17,161.65	17,161.65	17,161.65	
Grades 9-12 - Equipment		(1,394.74)	2,605.26		2,605.26
Resource Room/Resource Center	4,000.00	18,671.86	18,671.86	18,671.41	0.45
School Sponsored and Other Instructional Program		11,729.36	11,729.36	11,729.36	
Undist.Expend.-Support Serv. - Inst. Staff	34,263.00	15,737.00	50,000.00	50,000.00	
Undistributed-Admin. Info Technology		26,493.56	26,493.56	26,492.42	1.14
Undistributed-Req. Maint. For Schools		7,242.00	7,242.00	7,242.00	
Undist. Expend. - Care and Upkeep of Grounds	20,000.00	56,186.00	76,186.00	76,186.00	
Undist.Expend.- Student Trans.-Non-Inst. Equip.	69,086.00	197,702.23	266,788.23	249,787.71	17,000.52
Total Equipment					
Facilities Acquisition and Construction Services:					
Construction services	102,000.00		102,000.00	94,631.53	7,368.47
Assessment for Debt Service on SDA Funding	296,467.00		296,467.00	296,467.00	
Total Facilities Acquisition and Construction Services	398,467.00		398,467.00	391,098.53	7,368.47
Interest Deposit to Capital Reserve	105.00		105.00		105.00
Assets acquired under capital leases (non-budgeted)					
Undistributed expenditures:					
Custodial services				16,349,970.38	(16,349,970.38)
Transportation				981,193.32	(981,193.32)
Total assets acquired under capital leases (non-budgeted)				17,331,163.70	(17,331,163.70)
<b>TOTAL CAPITAL OUTLAY</b>	<b>467,658.00</b>	<b>197,702.23</b>	<b>665,360.23</b>	<b>17,972,049.94</b>	<b>(17,306,689.71)</b>

JACKSON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Summer School Instruction:					
Salaries of Teachers	\$ 276,265.00	\$	276,265.00	51,474.50	224,790.50
Total Summer School Instruction	<u>276,265.00</u>		<u>276,265.00</u>	<u>51,474.50</u>	<u>224,790.50</u>
Total Summer School	276,265.00		276,265.00	51,474.50	224,790.50
Total Special Schools	276,265.00		276,265.00	51,474.50	224,790.50
TOTAL EXPENDITURES	142,352,695.28		142,352,695.28	180,435,062.61	(38,082,367.33)
Excess (deficiency) of revenues over (under) expenditures	(6,454,312.28)		(6,454,312.28)	(19,534,324.51)	(13,080,012.23)
Other financing sources (uses)					
Transfers from Other Funds				750,000.00	750,000.00
Proceeds from Capital Lease (non-budgeted)				17,331,163.70	17,331,163.70
Total other financing sources(uses)				18,081,163.70	18,081,163.70
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	(6,454,312.28)		(6,454,312.28)	(1,453,160.81)	5,001,151.47
Fund balances, July 1 (as restated)	13,403,659.52		13,403,659.52	13,403,659.52	
Fund balances, June 30	\$ 6,949,347.24	\$	6,949,347.24	\$ 11,950,498.71	\$ 5,001,151.47
Recapitulation:					
Restricted:					
Excess surplus - designated for subsequent year's expenditures				\$ 1,869,262.40	
Capital reserve				1,879,269.64	
State Unemployment Insurance				885,510.64	
Assigned:					
Year-end encumbrances				99,236.03	
SEMI/FFCRA - designated for subsequent year expenditure				25,851.85	
Designated for subsequent years expenditures				4,539,267.60	
Unassigned fund balance				2,652,100.55	
				\$ 11,950,498.71	
Reconciliation to governmental funds statements (GAAP):					
Prior Year aid payment not recognized on GAAP basis				(4,247,508.00)	
Fund balance per governmental funds (GAAP)				\$ 7,702,990.71	



JACKSON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
BUDGET TO GAAP RECONCILIATION  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note A - Explanation of difference between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$160,900,738.10	\$5,213,519.39
Difference - budget to GAAP:		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(4,247,508.00)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	4,600,443.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$161,253,673.10</u>	<u>\$5,213,519.39</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	\$180,435,062.61	\$5,270,057.40
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$180,435,062.61</u>	<u>\$5,270,057.40</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

JACKSON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 LAST TEN YEARS

	Measurement Date Ending June 30, 2020	Measurement Date Ending June 30, 2019	Measurement Date Ending June 30, 2018	Measurement Date Ending June 30, 2017	Measurement Date Ending June 30, 2016	Measurement Date Ending June 30, 2015	Measurement Date Ending June 30, 2014	Measurement Date Ending June 30, 2013
District's proportion of the net pension liability (asset)	0.2610183409%	0.2573698992%	0.2517092888%	0.2519804763%	0.2486189228%	0.2479451138%	0.2554735380%	0.2521939629%
District's proportionate share of the net pension liability (asset)	\$42,565,265	\$46,374,151	\$49,560,301	\$58,657,027	\$73,633,794	\$55,658,710	\$47,831,634	\$48,199,277
District's covered-employee payroll	19,273,118	18,401,505	17,742,881	17,611,987	17,530,734	16,822,768	17,029,074	16,942,857
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	220.85%	252.01%	279.32%	333.05%	420.03%	330.85%	280.88%	284.48%
Plan fiduciary net position as a percentage of the total pension liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

Note: 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.

JACKSON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
 PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 LAST TEN YEARS

	Fiscal Year Ending June 30, 2021	Fiscal Year Ending June 30, 2020	Fiscal Year Ending June 30, 2019	Fiscal Year Ending June 30, 2018	Fiscal Year Ending June 30, 2017	Fiscal Year Ending June 30, 2016	Fiscal Year Ending June 30, 2015	Fiscal Year Ending June 30, 2014
Contractually required contribution	\$ 3,096,195	2,855,412 \$	2,503,465 \$	2,503,694 \$	2,334,330 \$	2,208,695 \$	2,131,663 \$	2,106,087
Contributions in relation to the contractually required contribution	3,096,195	2,855,412	2,503,465	2,503,694	2,334,330	2,208,695	2,131,663	2,106,087
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	19,273,118	18,401,505	17,742,881	17,611,997	17,530,734	16,822,768	17,029,074	16,942,857
Contributions as a percentage of covered-employee payroll	16.06%	15.52%	14.11%	14.22%	13.32%	13.13%	12.52%	12.43%

Note: 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.

JACKSON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS PENSION AND ANNUITY FUND  
LAST TEN YEARS

	Measurement Date Ending June 30, 2020	Measurement Date Ending June 30, 2019	Measurement Date Ending June 30, 2018	Measurement Date Ending June 30, 2017	Measurement Date Ending June 30, 2016	Measurement Date Ending June 30, 2015	Measurement Date Ending June 30, 2014	Measurement Date Ending June 30, 2013
District's proportion of the net pension liability (asset)	0.5474053903%	0.5431339213%	0.5423756495%	0.5176863618%	0.5274475489%	0.5400397299%	0.5295315570%	0.5400397299%
State's proportionate share of the net pension liability (asset) associated with the District	\$360,459,863	\$333,326,414	\$345,047,738	\$349,042,812	\$414,923,825	\$343,489,498	\$283,017,383	\$272,931,832
District's covered-employee payroll	57,994,391	59,088,585	58,690,740	57,947,004	57,049,928	52,790,402	52,778,237	52,681,833
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0%	0%	0%	0%	0%	0%	0%	0%
State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	621.54%	564.11%	587.91%	602.35%	727.30%	650.67%	536.24%	518.08%
Plan fiduciary net position as a percentage of the total pension liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.64%

Note: 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.

JACKSON TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2020	7.00%	7.00%	07/01/14-06/30/18
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2020	5.40%	7.00%	07/01/15-06/30/18
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

**REQUIRED SUPPLEMENTARY INFORMATION - PART IV**

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER  
THAN PENSIONS (GASB 75)**

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE DISTRICT'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST TEN YEARS

	Measurement Date Ended June 30,			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District				
Balance at 6/30	\$272,731,034	\$301,422,909	\$345,955,079	\$373,341,225
Changes for the year:				
Service cost	11,043,058	10,990,992	12,365,510	14,878,405
Interest	9,800,918	11,934,712	12,689,815	10,955,051
Differences between expected and actual experience	80,342,115	(47,557,117)	(27,216,331)	
Changes in assumptions or other inputs	81,876,119	4,066,487	(34,589,787)	(45,501,609)
Membership Contributions	236,518	245,173	278,564	295,061
Benefit payments - Net	(7,803,306)	(8,372,122)	(8,059,941)	(8,013,054)
Net changes	<u>175,495,422</u>	<u>(28,691,875)</u>	<u>(44,532,170)</u>	<u>(27,386,146)</u>
Balance at 6/30	<u>\$448,226,456</u>	<u>\$272,731,034</u>	<u>\$301,422,909</u>	<u>\$345,955,079</u>
Covered Employee Payroll	77,267,509	77,490,090	77,092,245	75,689,885
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	580.10%	351.96%	390.99%	457.07%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Change in benefit terms:     None

Change in assumptions:

The following assumptions were used in calculating the net OPEB liability  
in their respective accounting periods:

Measurement Date Ending <u>June 30.</u>	Discount <u>Rate</u>
2020	2.21%
2019	3.50%
2018	3.87%

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

JACKSON TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	TITLE I	TITLE I REALLOCATED	TITLE II A	TITLE III ELE	TITLE III IMMIGRANT	TITLE IV	IDEA PART B	IDEA PRESCHOOL
REVENUES:								
State sources	\$ 1,159,285.07	\$ 19,948.00	\$ 249,406.00	\$ 74,118.00	\$ 6,007.00	\$ 29,500.00	\$ 1,971,798.00	\$ 67,372.00
Federal sources								
Other sources								
Total revenues	\$ 1,159,285.07	\$ 19,948.00	\$ 249,406.00	\$ 74,118.00	\$ 6,007.00	\$ 29,500.00	\$ 1,971,798.00	\$ 67,372.00
EXPENDITURES:								
Instruction:								
Salaries of teachers	\$ 358,645.00	\$	\$	\$ 19,259.00	\$ 2,572.00	\$ 5,796.60	\$	\$ 47,765.00
Other salaries	127,322.55							
Purchased professional - technical services								
Other Purchased Services								
Contracted Services								
Tuition	222,096.13	8,266.01		43,471.00	2,828.24	22,684.96	1,971,798.00	501.00
Supplies and materials						575.00		
Other Objects								
Total Instruction	708,063.68	8,266.01		62,730.00	5,400.24	29,056.56	1,971,798.00	48,266.00
Support services:								
Salaries of Supervisors of Instruction	86,520.00		33,000.00					
Salaries of Secretaries and Clerical Assistants	26,865.00		5,254.00					
Other Salaries	5,194.00	196.00	113,491.20	2,303.00				
Personal services - employee benefits	198,948.52	14.99	23,984.08	1,649.00	196.76	443.44		19,106.00
Purchased professional - technical services								
Purchased professional - educational services	126,971.20	11,471.00	67,778.00	2,392.00				
Other purchased services	930.61		2,410.00					
Supplies and materials	5,792.06		3,488.72	5,044.00	410.00			
Miscellaneous expenditures								
Total support services	451,221.39	11,681.99	249,406.00	11,388.00	606.76	443.44		19,106.00
Facilities acquisition and construction serv:								
Instructional equipment								
Non - instructional equipment								
Total facilities acquisition and construction serv.								
Total expenditures	\$ 1,159,285.07	\$ 19,948.00	\$ 249,406.00	\$ 74,118.00	\$ 6,007.00	\$ 29,500.00	\$ 1,971,798.00	\$ 67,372.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$	\$	\$	\$	\$	\$	\$	\$
Fund Balance, July 1								
Prior Period Adjustment								
Fund Balance, July 1 (as restated)								
Fund Balance, June 30	\$	\$	\$	\$	\$	\$	\$	\$

(Continued on next page)



**CAPITAL PROJECTS FUND  
DETAIL STATEMENTS**

JACKSON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2021

Revenues and Other Financing Sources:	
Miscellaneous	\$99,693.75
Total revenues	<u>99,693.75</u>
Expenditures and Other Financing Uses:	
Purchased professional and technical services	4,900.00
Construction services	198,252.16
Total expenditures	<u>203,152.16</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(103,458.41)</u>
Other financing sources (uses):	
Transfers out - Interest	(99,693.75)
Transfer Out - Cancelled Project	(94,305.89)
Total other financing sources (uses)	<u>(193,999.64)</u>
Net change in fund balance	(297,458.05)
Fund balance - beginning	<u>319,885.89</u>
Fund balance - ending	<u><u>\$22,427.84</u></u>

JACKSON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
RENOVATIONS AND IMPROVEMENTS TO JACKSON MEMORIAL HIGH SCHOOL  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond proceeds and transfers	\$5,775,874.00	(\$94,305.35)	\$5,681,568.65	\$5,775,874.00
Total revenues	5,775,874.00		5,681,568.65	5,775,874.00
Expenditures and Other Financing Uses:				
Purchased professional and technical services	666,304.19		666,304.19	710,251.00
Construction services	4,820,431.72		4,820,431.72	4,870,790.26
Equipment purchases	194,832.74		194,832.74	194,832.74
Total expenditures	5,681,568.65		5,681,568.65	5,775,874.00
Excess (deficiency) of revenues over (under) expenditures	<u>\$94,305.35</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Additional project information:

Project Number	
Grant Date	29-2360-020-05-1000
Bond Authorization Date	09/27/05
Bonds Authorized	\$5,279,070.00
Bonds Issued	-0-
Original Authorized Cost	\$5,279,070.00
Additional Authorized Cost	\$496,804.00
Revised Authorized Cost	\$5,775,874.00

Percentage Increase over Original Authorized Cost	N/A
Percentage completion	80.00%
Original target completion date	FY2007
Revised target completion date	FY2020

JACKSON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
RENOVATIONS AND IMPROVEMENTS TO MCAULIFFE MIDDLE SCHOOL  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond proceeds and transfers	\$4,742,319.00	(\$0.54)	\$4,742,318.46	\$4,742,319.00
Total revenues	<u>4,742,319.00</u>		<u>4,742,318.46</u>	<u>4,742,319.00</u>
Expenditures and Other Financing Uses:				
Purchased professional and technical services	323,661.34		323,661.34	323,661.34
Construction services	4,418,657.12		4,418,657.12	4,418,657.66
Total expenditures	<u>4,742,318.46</u>		<u>4,742,318.46</u>	<u>4,742,319.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$0.54</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Additional project information:

Project Number	29-2360-048-05-1000
Grant Date	N/A
Bond Authorization Date	09/27/05
Bonds Authorized	\$6,441,930.00
Bonds Issued	-0-
Original Authorized Cost	\$6,441,930.00
Additional Authorized Cost	(1,699,611.53)
Revised Authorized Cost	\$4,742,318.47

Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100.00%
Original target completion date	FY2007
Revised target completion date	FY2013

JACKSON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
LIBERTY TRANSPORTATION GARAGE  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Transfer from capital reserve	\$5,712,997.86		\$5,712,997.86	\$5,712,997.86
Total revenues	<u>5,712,997.86</u>	<u>0.00</u>	<u>5,712,997.86</u>	<u>5,712,997.86</u>
Expenditures and Other Financing Uses:				
Purchased professional and technical services	364,382.79	4,900.00	369,282.79	397,455.00
Construction services	5,123,035.07	198,252.16	5,321,287.23	5,315,542.86
Total expenditures	<u>5,487,417.86</u>	<u>203,152.16</u>	<u>5,690,570.02</u>	<u>5,712,997.86</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$225,580.00</u>	<u>(\$203,152.16)</u>	<u>\$22,427.84</u>	<u>\$0.00</u>

Additional project information:

Project Number	N/A
Grant Date	N/A
Original Authorized Cost	\$5,712,997.86
Additional Authorized Cost	
Revised Authorized Cost	\$5,712,997.86
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	33.00%
Original target completion date	FY2019
Revised target completion date	FY2020

JACKSON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS  
AS OF JUNE 30, 2021

ISSUE/PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		(MEMO ONLY) UNEXPENDED PROJECT BALANCE
			PRIOR YEAR	CURRENT YEAR	
Acquisition of Land & Equipment to Build a New High School, Construction of a New Elementary School, Renovation and Construction of Gymnasium additions at two Schools, and the Acquisition of land for the future Construction of a New Middle School	1/22/2002	\$ 102,432,860.11	\$ 102,432,860.11	\$ -	-
Renovations and Improvements to Jackson Memorial High School Liberty Transportation Garage	4/24/2018	5,712,425.00	5,486,845.00	203,152.16	22,427.84
Totals		\$ 108,145,285.11	\$ 107,919,705.11	\$ 203,152.16	\$ 22,427.84

## PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

<b>FOOD SERVICES FUND:</b>	This fund provides for the operation of Food services within the school district.
<b>CHILD CARE FUND:</b>	This fund provides for the operation of a Child Care program within the school district.
<b>COMMUNITY SCHOOL FUND:</b>	This fund provides for the operation of a Community School within the school district.
<b>PRE-SCHOOL FUND:</b>	This fund provides for the operation of a Pre-School program within the school district.
<b>DIGITAL MEDIA PROGRAM FUND:</b>	This Fund provides for the operation of the District's Digital Media Program
<b>SUMMER ELECTIVE FUND</b>	This Fund provides for the operation of the District's Summer Elective Program
<b>STEM SUMMER CAMP FUND</b>	This Fund provides for the operation of the District's STEM Summer Camp Program

JACKSON TOWNSHIP SCHOOL DISTRICT  
 COMBINING STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS - ENTERPRISE FUNDS  
 JUNE 30, 2021

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND							
	CHILD CARE FUND	FOOD SERVICE FUND	COMMUNITY SCHOOL FUND	PRE-SCHOOL FUND	DIGITAL MEDIA FUND	SUMMER ELECTIVES	STEM SUMMER CAMP	TOTAL
<b>ASSETS:</b>								
Current assets:								
Cash and cash equivalents	\$355,245.65	\$559,332.78	\$146,982.28	\$165,783.92	\$27,097.21	\$39,911.34	\$4,971.34	\$1,299,324.52
Accounts receivable:								
State		8,385.60						8,385.60
Federal		311,548.48						311,548.48
Other		3,097.00						3,097.00
Inventories		54,341.87						54,341.87
Total current assets	355,245.65	936,705.73	146,982.28	165,783.92	27,097.21	39,911.34	4,971.34	1,676,697.47
Noncurrent assets:								
Furniture, machinery & equipment		2,205,624.33						2,205,624.33
Less accumulated depreciation		(1,252,735.25)						(1,252,735.25)
Total noncurrent assets		952,889.08						952,889.08
Total assets	355,245.65	1,889,594.81	146,982.28	165,783.92	27,097.21	39,911.34	4,971.34	2,629,586.55
<b>LIABILITIES:</b>								
Current liabilities:								
Interfund payable		2,181.36						2,181.36
Unearned revenue	80,170.82	102,580.14		54,782.00	11,200.00	23,000.00	675.00	272,407.96
Accounts payable	21,368.93	1,876.88						23,245.81
Noncurrent liabilities:								
Compensated absences	9,462.83	98,215.99		18,180.00				125,858.82
Total liabilities	111,002.58	202,977.49		74,838.88	11,200.00	23,000.00	675.00	423,693.95
<b>NET POSITION:</b>								
Net investment in capital assets		952,889.08						952,889.08
Unrestricted	244,243.07	733,728.24	146,982.28	90,945.04	15,897.21	16,911.34	4,296.34	1,253,003.52
Total net position	\$244,243.07	\$1,686,617.32	\$146,982.28	\$90,945.04	\$15,897.21	\$16,911.34	\$4,296.34	\$2,205,892.60

JACKSON TOWNSHIP SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS - ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	CHILD CARE FUND	FOOD SERVICE FUND	COMMUNITY SCHOOL FUND	PRE-SCHOOL FUND	DIGITAL MEDIA FUND	SUMMER ELECTIVES	STEM SUMMER CAMP	TOTAL
<b>OPERATING REVENUES:</b>								
Charges for services:								
Daily sales - reimbursable programs		\$10,695.99						\$10,695.99
Daily sales - non-reimbursable programs		8,209.87						8,209.87
Special functions		10,876.51						10,876.51
Fees - individuals	\$390,506.37		\$3,728.00	\$166,529.46	\$24,776.00			585,539.83
Total operating revenues	390,506.37	29,782.37	3,728.00	166,529.46	24,776.00			615,322.20
<b>OPERATING EXPENSES:</b>								
Cost of sales - reimbursable		844,136.93						844,136.93
Salaries	501,108.03	931,647.54	9,564.39	272,235.18	18,358.00			1,732,913.14
Employee benefits	101,379.73	506,650.27	9,746.80					617,776.80
Other purchase services	8,735.36	58,256.34						66,991.70
Rentals	515.50							515.50
Supplies and materials	1,199.01	14,039.19				4,672.86		5,871.87
Repairs		5,569.36						5,569.36
Equipment		16,142.49						16,142.49
Miscellaneous	19,548.50		316.85	1,040.00	270.00			20,165.35
Depreciation		129,542.45						129,542.45
Total operating expenses	632,486.13	2,505,984.57	19,628.04	273,275.18	18,628.00	4,672.86		3,454,674.78
Operating income (loss)	(241,979.76)	(2,476,202.20)	(15,900.04)	(106,745.72)	6,148.00	(4,672.86)		(2,839,352.58)
<b>NONOPERATING REVENUES (EXPENSES):</b>								
State sources		84,408.71						84,408.71
Federal sources:								
National school lunch program		1,908,254.56						1,908,254.56
National school breakfast program		974,176.75						974,176.75
Emergency Operational Costs Reimbursement Program		122,562.29						122,562.29
Pandemic Electronic Benefit Transfer - Administrative Costs		3,063.00						3,063.00
Commissions/rebates		1,448.04						1,448.04
National food distribution commodities		183,027.18						183,027.18
Total nonoperating revenues (expenses)		3,276,940.53						3,276,940.53
Income (loss) before contributions & transfers	(241,979.76)	800,738.33	(15,900.04)	(106,745.72)	6,148.00	(4,672.86)		437,587.95
Other financing (uses):								
Transfer of funds	(250,000.00)	(200,000.00)		(300,000.00)				(750,000.00)
Total other financing (uses)	(250,000.00)	(200,000.00)		(300,000.00)				(750,000.00)
Change in net position	(491,979.76)	600,738.33	(15,900.04)	(406,745.72)	6,148.00	(4,672.86)		(312,412.05)
Total net position - beginning	736,222.83	1,085,879.00	162,882.32	497,690.76	9,749.21	21,584.20	4,296.34	2,518,304.66
Total net position - ending	\$244,243.07	\$1,686,617.33	\$146,982.28	\$90,945.04	\$15,897.21	\$16,911.34	\$4,296.34	\$2,205,892.61

JACKSON TOWNSHIP SCHOOL DISTRICT  
 COMBINING STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS - ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	CHILD CARE FUND	FOOD SERVICE FUND	COMMUNITY SCHOOL FUND	PRE-SCHOOL FUND	DIGITAL MEDIA FUND	SUMMER ELECTIVES	STEM SUMMER CAMP	TOTAL
Cash flows from operating activities:								
Receipts from customers	\$470,132.20	\$15,096.93		\$220,791.46	\$35,976.00	\$23,000.00		\$764,996.59
Payments to employees	(486,651.06)	(931,647.54)	(9,564.39)	(290,878.30)	(18,358.00)			(1,737,099.29)
Payments to employee benefits	(103,420.38)	(541,367.28)	(9,746.80)					(654,534.46)
Payments to suppliers	(29,998.37)	(739,972.05)	(316.85)	(1,040.00)	(270.00)	(4,672.86)		(776,270.13)
Net cash provided by (used for) operating activities	(149,937.61)	(2,197,889.94)	(19,628.04)	(71,126.84)	17,348.00	18,327.14		(2,402,907.29)
Cash flows from noncapital financing activities:								
State sources		76,240.97						76,240.97
Federal sources		2,718,367.88						2,718,367.88
Operating subsidies and transfers to other funds	(250,000.00)	(179,667.04)		(300,000.00)				(729,667.04)
Net cash provided by noncapital financing activities	(250,000.00)	2,614,941.81		(300,000.00)				2,064,941.81
Net increase (decrease) in cash and cash equivalents	(399,937.61)	417,051.87	(19,628.04)	(371,126.84)	17,348.00	18,327.14		(337,965.48)
Cash and cash equivalents, July 1, 2020	755,183.26	142,280.91	166,610.32	536,910.76	9,749.21	21,584.20	4,971.34	1,637,290.00
Cash and cash equivalents, June 30, 2021	\$355,245.65	\$559,332.78	\$146,982.28	\$165,783.92	\$27,097.21	\$39,911.34	\$4,971.34	\$1,299,324.52
Reconciliation of operating income (loss) to net cash provided (used) by operating activities								
Operating income (loss)	(241,979.76)	(\$2,476,202.20)	(\$15,900.04)	(\$106,745.72)	\$6,148.00	(\$4,672.86)		(2,839,352.58)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:								
Depreciation		129,542.45						129,542.45
Federal commodities		183,027.18						183,027.18
Change in assets and liabilities:								
(Increase) decrease in other accounts receivable		(3,097.00)						(3,097.00)
Increase (decrease) in unearned revenue	80,170.82	(6,186.89)	(3,728.00)	54,262.00	11,200.00	23,000.00		158,717.93
Increase (decrease) in accounts payable	13,911.98			1,876.88				15,788.86
Increase (decrease) in compensated absences	(2,040.65)	(34,717.01)		(20,520.00)				(57,277.66)
(Increase) decrease in inventories	92,042.15	278,312.26	(3,728.00)	35,618.88	11,200.00	23,000.00		436,445.29
Net cash provided by (used for) operating activities	(149,937.61)	(\$2,197,889.94)	(\$19,628.04)	(\$71,126.84)	\$17,348.00	\$18,327.14		(\$2,402,907.29)

## **LONG-TERM LIABILITIES SCHEDULES**

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.

JACKSON TOWNSHIP SCHOOL DISTRICT  
 LONG-TERM DEBT  
 SCHEDULE OF SERIAL BONDS  
 JUNE 30, 2021

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	MATURITIES		RATE OF INTEREST	BALANCE JUNE 30, 2020	RETIRED	BALANCE JUNE 30, 2021
			DATE	AMOUNT				
Refunding Bonds	04/13/06	\$ 87,650,000.00	06/15/22	\$ 5,650,000.00	5.25%	\$ 16,965,000.00	\$ 5,370,000.00	\$ 11,595,000.00
			06/15/23	5,945,000.00	2.50%			
Refunding Bonds	09/11/14	7,890,000.00	02/01/22	850,000.00	4.00%	5,455,000.00	835,000.00	4,620,000.00
			02/01/23	880,000.00	4.00%			
			02/01/24	920,000.00	5.00%			
			02/01/25	965,000.00	4.00%			
			02/01/26	1,005,000.00	3.00%			
Refunding Bonds	09/14/16	27,150,000.00	06/15/24	6,255,000.00	5.00%	27,150,000.00		27,150,000.00
			06/15/25	6,505,000.00	4.00%			
			06/15/26	6,830,000.00	3.00%			
			06/15/27	7,560,000.00	3.00%			
						\$ 49,570,000.00	\$ 6,205,000.00	\$ 43,365,000.00

JACKSON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
 AS OF JUNE 30, 2021

SERIES	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL LEASE	AMOUNT OUTSTANDING JUNE 30, 2020	CHANGE		AMOUNT OUTSTANDING JUNE 30, 2021
				INCREASE	DECREASE	
Governmental Funds						
Buses 15/16	1.470%	\$ 934,000.00	\$ 192,291.33	\$ -	\$ 192,291.33	\$ -
Buses 16/17	1.690%	973,000.00	398,221.87		197,429.67	200,792.20
Buses 18/19	2.97%	990,000.00	597,911.92		193,500.12	404,411.80
Buses 19/20	2.13%	616,000.00	493,928.01		119,606.04	374,321.97
Buses 20/21	1.10%	982,000.00		982,000.00	197,541.91	784,458.09
ESIP	2.20%	26,219,000.00	26,165,000.00		1,105,000.00	25,060,000.00
Grand Total		\$	\$ 27,847,353.13	\$ 982,000.00	\$ 2,005,369.07	\$ 26,823,984.06

JACKSON TOWNSHIP SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$7,911,836.00		\$7,911,836.00	\$7,911,836.00	
State sources:					
Debt service aid type II	471,848.00		471,848.00	471,848.00	
<b>Total revenues</b>	<b>8,383,684.00</b>		<b>8,383,684.00</b>	<b>8,383,684.00</b>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest	2,235,063.00		2,235,063.00	2,235,062.50	\$0.50
Redemption of principal	6,205,000.00		6,205,000.00	6,205,000.00	
<b>Total regular debt service-expenditures</b>	<b>8,440,063.00</b>		<b>8,440,063.00</b>	<b>8,440,062.50</b>	<b>0.50</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(56,379.00)</b>		<b>(56,379.00)</b>	<b>(56,378.50)</b>	<b>0.50</b>
<b>Other financing sources:</b>					
Operating Transfers in - Capital Projects				193,999.64	\$193,999.64
Interest earned on Arbitrage	(56,379.00)		(56,379.00)	7,081.50	7,081.50
				144,702.64	201,081.64
<b>Fund balance, July 1</b>	<b>160,805.85</b>		<b>160,805.85</b>	<b>160,805.85</b>	
<b>Fund balance, June 30</b>	<b>\$104,426.85</b>		<b>\$104,426.85</b>	<b>\$305,508.49</b>	<b>\$201,081.64</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**

**STATISTICAL SECTION - UNAUDITED**

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:  These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:  These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:  These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:  These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:  These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

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

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
UNAUDITED

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Governmental activities</b>										
Net investment in capital assets	\$78,286,518.49	\$75,571,648.33	\$70,179,131.53	\$66,097,599.31	\$65,055,148.56	\$62,704,698.59	\$51,059,391.38	\$47,814,504.24	\$48,082,597.01	\$46,201,066.71
Restricted	3,502,875.20	2,446,785.63	7,501,635.57	11,285,982.27	12,474,787.27	11,576,907.27	14,169,847.43	12,339,597.41	12,838,192.35	10,675,728.91
Unrestricted (deficit)	(57,214,542.89)	(58,291,396.35)	(59,573,599.82)	(60,427,551.49)	(60,222,898.78)	(54,912,236.19)	(52,594,416.37)	(3,660,492.59)	(5,044,120.30)	(2,028,413.56)
Total governmental activities net position	\$24,574,850.80	\$19,727,037.61	\$18,107,167.28	\$16,956,030.09	\$17,307,037.05	\$19,369,369.67	\$12,634,822.44	\$56,493,609.06	\$55,876,669.06	\$54,848,382.06
<b>Business-type activities</b>										
Net investment in capital assets	\$952,889.08	\$1,082,431.53	\$1,156,333.42	\$1,185,145.18	\$1,200,059.95	\$1,225,359.80	\$1,281,676.24	\$1,372,697.36	\$1,463,854.49	\$1,065,445.16
Unrestricted	1,253,003.52	1,435,873.12	2,274,198.95	2,511,530.27	2,793,429.77	2,728,025.67	2,138,738.31	1,927,162.07	1,580,821.01	1,296,748.73
Total business-type activities net position	\$2,205,892.60	\$2,518,304.65	\$3,432,532.37	\$3,696,675.45	\$3,993,489.72	\$3,953,385.47	\$3,420,414.55	\$3,299,859.43	\$3,044,675.50	\$2,362,193.89
<b>District-wide</b>										
Net investment in capital assets	\$79,239,407.57	\$76,654,079.86	\$71,337,464.95	\$67,282,744.49	\$66,255,208.51	\$63,930,058.39	\$52,341,067.62	\$49,187,201.60	\$49,546,451.50	\$47,266,511.87
Restricted	3,502,875.20	2,446,785.63	7,501,635.57	11,285,982.27	12,474,787.27	11,576,907.27	14,169,847.43	12,339,597.41	12,838,192.35	10,675,728.91
Unrestricted (deficit)	(55,961,539.37)	(56,855,523.23)	(57,299,400.87)	(57,916,021.22)	(57,429,469.01)	(52,184,210.52)	(50,455,678.06)	(1,733,330.52)	(3,463,299.29)	(731,664.83)
Total district net position	\$26,780,743.40	\$22,245,342.26	\$21,539,699.65	\$20,652,705.54	\$21,300,526.77	\$23,322,755.14	\$16,055,236.99	\$59,793,468.49	\$56,921,344.56	\$57,210,575.95

Source: ACFR Schedule A-1  
a - In FY2015 the District Implemented GASB 68

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
CHANGES IN NET POSITION  
UNAUDITED

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>EXPENSES</b>										
Governmental activities										
Instruction:										
Regular	\$68,640,295.59	\$60,735,450.80	\$64,451,275.74	\$69,951,421.12	\$65,972,493.92	\$60,811,329.27	\$56,563,472.38	\$51,228,343.35	\$51,355,565.47	\$47,418,293.10
Special	42,677,393.04	37,844,034.15	37,809,354.59	38,174,468.90	37,085,171.04	33,066,079.30	30,585,453.34	25,176,975.77	25,936,760.52	21,976,846.06
Other instruction	5,622,295.88	5,116,261.15	5,213,207.92	5,567,258.24	5,058,371.71	4,468,380.45	4,167,503.39	3,744,844.45	3,851,722.09	3,508,035.75
Support services:										
Tuition										
Student and instruction related services	26,896,551.85	24,659,166.51	26,622,718.85	28,282,891.33	26,132,832.03	24,335,584.92	23,538,411.55	20,425,794.44	19,876,718.88	17,400,796.17
General administrative services	402,187.72	688,752.95	1,247,915.86	1,252,517.89	1,486,942.59	1,306,602.78	1,133,281.12	1,439,252.04	1,610,611.59	1,925,564.62
School administrative services	12,636,277.57	10,833,511.48	10,906,798.47	11,233,645.91	10,712,411.75	10,079,196.55	9,327,491.02	7,577,919.04	7,442,343.74	6,969,043.79
Central Services/Administrative Technology	3,847,182.31	3,746,642.56	3,648,179.39	3,879,165.50	3,501,362.30	2,969,567.40	3,279,625.64	3,468,124.34	3,590,056.55	3,609,258.71
Plant operations and maintenance	14,205,760.25	13,553,919.16	14,148,410.04	15,486,698.49	14,933,638.96	12,501,620.33	12,537,489.87	12,077,242.72	11,536,372.79	12,289,740.37
Pupil transportation	14,291,400.56	12,902,436.48	14,096,949.33	13,974,082.16	12,776,349.32	10,831,894.81	10,789,148.67	11,094,694.25	10,481,457.01	10,836,039.01
Special Schools	78,263.50	295,011.25	464,954.76	520,451.66	502,554.76	540,983.41	527,003.78	515,477.44	249,524.28	467,036.59
Interest on Long-Term Debt	2,287,092.81	2,574,164.19	2,878,443.82	3,186,376.85	3,949,029.35	4,150,757.28	4,512,099.82	4,857,336.82	4,639,250.05	4,794,914.55
Unallocated depreciation	4,790,385.35	4,678,582.42	4,826,334.10	4,378,362.04	3,983,234.48	4,049,346.11	4,041,355.62	4,032,879.16	4,025,742.48	3,785,313.96
Unallocated amortization										
Total governmental activities expenses	196,375,086.43	177,627,933.10	186,314,542.87	195,887,320.09	186,094,392.21	169,111,342.61	161,002,334.20	145,638,883.82	144,797,315.93	139,059,056.10
Business-type activities:										
Food Service	2,505,984.57	2,848,427.55	3,236,870.46	2,648,320.48	2,660,599.52	2,618,054.19	2,856,911.52	2,812,087.52	2,771,155.15	2,893,183.75
Child Care	632,486.13	929,865.59	1,156,862.19	1,181,719.82	1,167,302.05	1,147,144.43	1,038,946.12	954,810.40	917,967.41	842,554.10
Extended Enrichment Kindergarten							408,605.61	310,207.42	330,427.53	287,985.07
Community School	19,628.04	89,805.37	91,613.59	89,033.45	84,835.60	84,888.43	83,506.16	86,045.95	82,211.12	120,420.14
Preschool	273,275.18	275,320.70	228,260.25	254,914.56	70,208.00	47,180.62	57,411.09	86,487.97	76,457.11	128,825.09
Digital Media	18,628.00	24,193.96	50,384.92	40,163.93	50,124.64	46,656.82	39,911.39	30,643.49	32,447.94	30,421.18
Summer Electives	4,672.86	16,838.00	18,594.24	16,956.43	18,772.02	15,063.28	12,218.30	9,988.53		
Stem Summer Camp		2,575.00	4,896.48	7,996.85	13,119.12	13,541.21				
Total business-type activities expense	3,454,674.78	4,187,026.17	4,787,482.13	4,239,105.52	4,064,960.95	3,972,528.98	4,497,510.19	4,292,281.28	4,210,666.26	4,243,389.33
Total district expenses	\$199,829,761.21	\$181,814,959.27	\$191,102,025.00	\$200,126,425.61	\$190,159,353.16	\$173,083,871.59	\$165,499,844.39	\$149,931,165.10	\$149,007,982.19	\$143,302,445.43
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Operating grants and contributions	\$55,188,558.30	\$35,239,934.32	\$42,830,222.47	\$54,163,330.10	\$44,931,582.97	\$34,836,898.14	\$28,500,404.79	\$14,404,622.31	\$16,501,489.61	\$13,098,413.53
Charges for services	558,977.36									
Total governmental activities program revenues	55,747,535.66	35,239,934.32	42,830,222.47	54,163,330.10	44,931,582.97	34,836,898.14	28,500,404.79	14,404,622.31	16,501,489.61	13,098,413.53

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
CHANGES IN NET POSITION  
UNAUDITED

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>PROGRAM REVENUES</b>										
Business-type activities:										
Charges for services	\$29,782.37	\$1,085,295.56	\$1,701,969.54	\$1,679,170.36	\$1,757,285.38	\$1,812,357.65	\$1,747,806.06	\$1,720,956.37	\$1,770,566.04	\$1,960,706.05
Food Service							582,379.55	480,132.99	\$492,433.85	\$556,329.64
Extended Enrichment Kindergarten							1,114,437.08	1,093,488.62	1,145,629.72	1,107,740.98
Child Care	390,506.37	1,061,477.54	1,469,319.38	1,326,897.01	1,318,939.36	1,278,197.19	1,114,437.08	1,093,488.62	1,145,629.72	1,107,740.98
Community School	3,728.00	90,385.40	94,505.45	97,554.94	96,987.87	97,959.96	92,518.59	105,609.93	95,588.30	89,778.61
Preschool	166,529.46	280,335.42	279,602.90	286,324.11	121,156.24	150,229.48	145,577.51	133,275.82	142,055.46	124,752.81
Digital Media Program	24,776.00	28,465.00	40,310.00	46,555.00	51,640.00	42,980.00	38,805.00	38,513.00	31,597.00	30,140.00
Summer Electives		18,975.00	24,725.00	22,150.00	26,200.00	12,560.00	27,765.00	10,000.00		
Stem Summer Camp		4,875.00	7,425.00	7,350.00	13,125.00	13,650.00				
Operating grants and contributions	3,276,940.53	1,002,989.54	1,205,481.78	1,216,546.46	1,147,911.44	1,087,364.31	1,046,104.75	994,268.20	926,684.34	921,721.89
Total business-type activities program revenues	3,892,262.73	3,572,798.46	4,823,339.05	4,682,547.88	4,533,245.29	4,495,298.59	4,795,393.54	4,576,244.93	4,604,554.71	4,791,169.98
Total district program revenues	\$59,639,798.39	\$38,812,732.78	\$47,653,561.52	\$47,512,770.35	\$58,696,575.39	\$49,426,881.56	\$59,632,291.68	\$53,076,649.72	\$19,009,177.02	\$21,292,659.59
<b>NET (EXPENSE)/REVENUE</b>										
Governmental activities	(\$140,627,550.77)	(\$142,387,998.78)	(\$143,484,320.40)	(\$141,723,989.99)	(\$141,723,989.99)	(\$141,162,809.24)	(\$134,274,444.47)	(\$132,501,929.41)	(\$131,234,261.51)	(\$128,295,826.32)
Business-type activities	437,587.95	(614,227.72)	35,856.92	443,442.36	294,139.77	430,337.64	822,864.56	78,734.74	312,273.43	580,503.72
Total district-wide net expense	(\$140,189,962.82)	(\$143,002,226.49)	(\$143,448,463.48)	(\$141,280,547.63)	(\$141,429,850.22)	(\$140,732,471.60)	(\$133,451,579.91)	(\$132,423,194.67)	(\$130,921,988.08)	(\$127,715,322.60)
<b>GENERAL REVENUES AND OTHER CHANGES</b>										
IN NET POSITION										
Governmental activities:										
Property taxes levied for general purposes, net	\$87,894,569.00	\$86,171,146.00	\$84,481,516.00	\$81,522,303.00	\$79,273,729.00	\$77,701,924.00	\$76,176,357.00	\$74,095,557.00	\$72,054,488.00	\$70,641,635.00
Taxes levied for debt service	7,911,836.00	7,994,629.00	7,374,647.00	6,966,039.00	7,518,642.00	8,220,933.00	7,244,288.00	6,398,341.00	6,355,540.00	7,131,668.00
Federal and state aid not restricted	44,899,845.22	47,131,284.26	49,603,783.75	50,185,200.16	49,987,467.43	50,032,328.28	49,860,613.59	49,581,508.91	49,055,628.93	51,335,296.65
Federal and state aid restricted	390,756.07	361,770.40	828,157.14	901,802.60	1,015,228.47	4,111,814.18	2,589,488.97	699,142.62	596,617.04	922,873.50
Miscellaneous income	2,105,998.39	1,991,717.44	2,050,706.70	1,060,742.72	846,151.78	968,925.44	773,333.43	1,218,782.69	1,211,859.34	1,125,753.17
Capital Asset Adjustments					13,772.95					
Disposal of capital asset (net)	(5,880.00)		(3,353.00)	(2,470.00)	(4,515.00)	(26,933.20)	(3,661.20)	(204,330.97)	50,000.00	(297,805.27)
Transfers	750,000.00	300,000.00	300,000.00	740,256.63	450,000.00		200,000.00	62,200.00		
Total governmental activities	143,947,124.68	143,950,547.10	144,635,457.59	141,373,874.11	139,100,476.63	141,008,991.70	136,842,419.79	131,851,201.25	129,324,113.31	130,859,421.05
Business-type activities:										
Miscellaneous income										16,622.29
Transfers	(750,000.00)	(300,000.00)	(300,000.00)	(740,256.63)	(450,000.00)	22,551.31	(200,000.00)	(62,200.00)	(60,000.00)	
Total business-type activities	(750,000.00)	(300,000.00)	(300,000.00)	(740,256.63)	(428,180.09)	22,551.31	(177,328.23)	(28,779.72)	(18,779.65)	16,622.29
Total district-wide	\$143,197,124.68	\$143,650,547.10	\$144,335,457.59	\$140,633,617.48	\$138,672,296.54	\$141,031,543.01	\$136,665,091.56	\$131,822,421.53	\$129,305,333.66	\$130,876,043.34
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$3,319,573.91	\$1,562,548.32	\$1,151,137.19	(\$350,115.88)	(\$2,623,513.36)	\$6,734,547.23	\$4,340,490.38	(\$650,728.16)	(\$1,910,148.20)	\$2,563,594.73
Business-type activities	(312,412.05)	(914,227.72)	(264,143.08)	(296,814.27)	(134,040.32)	545,320.92	120,555.12	49,955.02	283,493.78	597,126.01
Total district	\$3,007,161.86	\$648,320.61	\$886,994.11	(\$646,930.15)	(\$2,757,553.68)	\$7,279,868.15	\$4,461,045.50	(\$600,773.14)	(\$1,616,654.42)	\$3,160,720.74

Source: ACFR Schedule A-2

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
 FUND BALANCES - GOVERNMENTAL FUNDS  
 UNAUDITED

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Restricted	\$2,790,632.13	\$2,390,406.63	\$3,674,506.72	\$10,748,039.55	\$12,149,017.78	\$11,241,915.37	\$8,167,418.65	\$12,663,645.02	\$12,316,898.45	\$10,667,396.93
Committed	4,539,267.60	5,376,355.01	3,295,818.94	1,601,340.82	194,829.16	666,636.49	1,268,082.48	2,408,701.67	1,565,750.57	\$2,623,176.34
Assigned				191,989.04	557,720.20	555,768.44	524,391.20			
Unassigned	373,090.98	172,569.68	(306,708.53)							
Total general fund	<u>\$7,702,990.71</u>	<u>\$7,939,331.32</u>	<u>\$6,663,617.13</u>	<u>\$12,541,369.41</u>	<u>\$12,901,567.14</u>	<u>\$12,464,320.30</u>	<u>\$9,959,892.33</u>	<u>\$15,072,346.69</u>	<u>\$13,882,649.02</u>	<u>\$13,290,573.27</u>
All Other Governmental Funds										
Restricted	\$831,325.40	\$424,312.74	\$542,432.55	\$581,745.27	\$764,171.54	\$586,702.94	\$47,402.95	\$1,375,749.29	\$1,377,583.54	2,340,158.32
Assigned				743,636.20	529,896.60	731,993.43	6,385,047.19	25,388.06	679,635.24	126,745.55
Committed	104,427.00	56,379.00	3,827,128.85	\$1,325,381.47	\$1,294,068.14	\$1,318,696.37	\$6,432,450.14	12,653.00		
Total all other governmental funds	<u>\$935,752.40</u>	<u>\$480,691.74</u>	<u>\$4,369,561.40</u>	<u>\$1,325,381.47</u>	<u>\$1,294,068.14</u>	<u>\$1,318,696.37</u>	<u>\$6,432,450.14</u>	<u>\$14,13,790.35</u>	<u>\$2,057,218.78</u>	<u>\$2,466,903.87</u>

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
UNAUDITED

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Revenues</b>										
Tax levy	\$95,806,405.00	\$94,165,775.00	\$91,856,163.00	\$88,488,342.00	\$86,792,371.00	\$85,922,857.00	\$83,422,645.00	\$80,493,898.00	\$78,410,008.00	\$77,773,303.00
Interest on capital reserve	21,038.00	9,649.87	29,908.55	22,135.14	4,578.75	2,168.74	9,699.94	7,946.52	\$7,337.25	\$3,892.27
Tuition charges	422,568.87	385,929.77								
Miscellaneous	2,678,772.72	1,486,487.11	2,072,088.19	1,081,968.75	928,475.35	1,049,591.59	883,888.72	1,225,562.00	1,242,223.66	1,168,676.78
State sources	71,091,270.98	69,432,452.23	71,804,170.02	70,167,697.57	67,207,874.90	68,955,662.64	65,462,344.78	61,788,957.76	62,856,309.32	60,427,464.99
Federal sources	4,930,514.67	3,557,345.26	3,311,017.54	3,307,574.66	3,286,148.65	3,186,661.27	3,076,707.59	2,881,202.88	3,258,885.62	4,881,119.92
Total revenue	174,950,570.24	169,037,619.24	169,073,347.30	163,067,718.12	158,219,448.65	159,116,941.24	152,855,286.03	146,397,567.16	145,774,763.85	144,254,456.96
<b>Expenditures</b>										
Instruction										
Regular instruction	35,216,654.09	35,254,491.75	36,575,621.92	36,829,441.64	36,286,051.75	35,738,782.19	34,854,855.81	35,606,212.83	34,374,391.92	34,108,896.75
Special education instruction	20,620,918.50	19,823,192.66	19,146,030.37	18,625,983.12	19,002,323.86	18,170,646.66	17,434,805.90	15,617,593.21	16,170,443.17	15,973,237.78
Other instruction	3,066,885.99	3,096,262.51	3,139,162.12	3,115,194.96	3,003,089.32	2,821,715.53	2,726,236.77	2,736,039.08	2,723,254.73	2,525,760.01
Support Services:										
Tuition	4,731,339.44	5,255,527.94	5,464,214.30	4,286,311.49	3,969,069.21	3,545,262.97	3,322,398.05	3,712,590.54	4,064,485.34	3,876,982.94
Student and instruction related services	14,559,569.92	14,881,416.61	15,830,696.06	16,189,573.83	15,277,167.99	15,416,589.34	14,746,722.09	14,333,987.14	13,704,630.31	12,758,568.45
General administrative services	1,502,020.76	1,500,072.66	1,923,294.44	1,656,085.70	1,743,325.97	1,226,105.56	1,248,934.95	1,385,754.42	1,462,810.93	1,349,469.43
School administrative services	5,626,593.45	5,535,054.71	5,476,826.26	5,489,311.67	5,409,892.93	5,321,915.17	5,340,817.67	5,106,242.22	4,991,978.20	4,950,907.06
Central Services and Adm Technology	2,757,716.62	2,840,526.60	2,598,260.88	2,549,403.43	2,379,806.06	2,372,093.21	2,327,830.13	2,511,879.44	2,513,005.13	2,330,157.98
Plant operations and maintenance	11,864,962.38	10,861,404.62	10,919,772.52	11,023,853.08	10,869,080.17	10,035,675.93	10,291,659.94	10,587,678.49	10,102,949.68	9,730,261.31
Pupil transportation	11,293,456.27	10,821,239.13	11,240,312.69	10,326,102.62	9,535,861.80	8,699,370.04	8,770,999.19	8,707,904.20	8,653,346.48	8,275,435.62
Unallocated benefits	56,343,351.59	48,803,183.57	47,345,770.80	43,846,054.86	39,996,418.46	38,111,329.31	37,460,772.80	35,278,120.26	36,221,083.85	33,111,546.03
Special schools	51,474.50	210,283.00	307,560.42	302,366.25	297,391.28	381,464.50	382,327.75	385,261.75	187,298.87	213,943.49
Debt service:										
Principal	6,205,000.00	5,960,000.00	6,110,000.00	5,400,000.00	5,435,000.00	5,830,000.00	5,245,000.00	4,155,000.00	3,440,000.00	4,559,000.00
Interest and other charges	2,235,062.50	2,521,475.00	2,832,437.50	3,114,075.00	3,066,185.42	3,668,777.75	3,915,077.75	4,203,064.50	4,350,094.50	4,588,372.00
Capital Outlay	18,273,328.66	14,110,105.98	4,288,190.13	2,124,452.26	3,152,583.44	11,269,235.67	6,041,660.55	2,580,999.21	3,609,198.09	1,300,651.58
Total expenditures	194,348,334.67	181,474,236.74	173,198,150.41	164,878,209.91	159,423,247.66	162,608,963.83	154,110,099.35	146,908,327.29	146,568,971.20	139,653,190.43
Excess (Deficiency) of revenues over (under) expenditures	(19,397,764.43)	(12,436,617.50)	(4,124,803.11)	(1,810,491.79)	(1,203,799.01)	(3,492,022.59)	(1,254,813.32)	(510,760.13)	(794,207.35)	4,601,266.53
<b>Other Financing sources (uses)</b>										
Interest earned on Arbitrage reserve	7,081.50	6,925.71	3,739.12	1,106.46	553.00	5,705.79	347.75	387.37	839.07	1,182.89
Capital leases (non-budgeted)	17,331,163.70	9,516,536.32	987,491.64	740,244.30	1,165,864.62	876,991.00	960,671.00	984,442.00	925,758.94	48,782.18
Transfers	750,000.00	300,000.00	300,000.00	740,258.63	450,000.00		200,000.00	62,200.00	50,000.00	
Total other financing sources (uses)	18,088,245.20	9,823,462.03	1,291,230.76	1,481,607.39	1,616,417.62	882,696.79	1,161,018.75	1,057,029.37	976,598.01	49,965.07
Net change in fund balances	(\$1,309,519.23)	(\$2,613,155.47)	(\$2,833,572.35)	(\$328,884.40)	\$412,618.61	(\$2,609,325.80)	(\$93,794.57)	\$546,269.24	\$182,390.66	\$4,651,231.60
Debt service as a percentage of noncapital expenditures	4.79%	5.07%	5.29%	5.23%	5.44%	6.28%	6.19%	5.79%	5.45%	6.61%

Source: ACFR Schedule B-2

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>INTEREST</u> <u>EARNED</u>	<u>PRIOR YEAR</u> <u>VOIDED CHECKS</u>	<u>TUITION</u>	<u>REIMBURSEMENTS</u>	<u>TOWNSHIP</u>		<u>TOTAL</u>
					<u>CONTRIBUTION</u>	<u>MISCELLANEOUS</u>	
2021	\$ 503,333.93	\$	\$	\$	\$ 1,000,000.00	\$ 474,860.66	\$ 1,978,194.59
2020	563,486.05	4,212.00		300,000.00		487,263.00	1,966,927.92
2019	311,209.54	9,267.25	503,744.91	689,800.00		452,906.22	1,966,927.92
2018	94,247.81		258,771.39			668,905.27	1,021,924.47
2017	29,119.63		98,546.53			708,452.00	836,118.16
2016	24,526.68		88,769.02			842,846.59	956,142.29
2015	28,000.85		208,588.49			520,990.61	757,579.95
2014	28,242.05	1,968.00	297,145.32	363,116.89		513,755.25	1,204,227.51
2013	76,626.67	442.00	461,908.84	144,506.80		508,385.89	1,191,870.20
2012	97,451.54	2,844.35	199,329.55	172,564.29		631,826.16	1,104,015.89

Source: District Records

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 UNAUDITED

Calendar Year Ended December 31,	Vacant Land	Residential	Farm Req.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)
2020	\$ 144,891,600.00	\$ 5,888,336,020.00	\$ 27,401,511.00	\$ 580,983,701.00	\$ 44,717,200.00	\$ 139,061,200.00	\$ 6,826,391,232.00	\$ 6,904,030.00	\$ 6,833,295,262.00	\$ 7,891,393,787.00	1.390
2019	147,129,300.00	5,866,070,020.00	27,114,611.00	575,465,701.00	44,485,200.00	122,389,300.00	6,782,654,132.00	6,964,614.00	6,789,618,746.00	7,820,182,137.00	1.373
2018	150,563,200.00	5,853,408,520.00	28,264,611.00	573,372,000.00	44,262,300.00	104,821,500.00	6,754,692,131.00	7,026,896.00	6,761,719,027.00	7,649,810,479.00	1.331
2017	155,729,300.00	5,835,677,920.00	26,478,600.00	568,468,735.00	43,953,400.00	91,321,500.00	6,721,629,455.00	7,372,103.00	6,729,001,558.00	7,432,945,960.00	1.303
2016	160,251,900.00	5,796,690,420.00	26,795,900.00	567,759,535.00	44,200,900.00	83,655,000.00	6,679,353,655.00	7,769,090.00	6,687,122,745.00	6,948,799,597.00	1.291
2015	167,254,100.00	5,768,918,720.00	24,710,800.00	570,689,000.00	44,202,500.00	85,155,000.00	6,660,930,120.00	8,244,360.00	6,669,174,480.00	6,691,228,327.00	1.269
2014	172,257,600.00	5,759,476,120.00	25,598,200.00	552,672,700.00	44,536,900.00	84,670,800.00	6,639,212,320.00	8,759,488.00	6,647,971,808.00	6,543,417,283.00	1.233
2013	177,539,100.00	5,758,469,920.00	25,466,100.00	561,902,600.00	45,329,600.00	84,381,800.00	6,653,089,120.00	9,274,100.00	6,662,363,220.00	6,492,632,689.00	1.192
2012	195,594,400.00	5,789,559,620.00	26,609,600.00	559,779,044.00	45,508,400.00	82,853,600.00	6,699,904,664.00	10,721,673.00	6,710,626,337.00	6,687,258,458.00	1.163
2011	212,538,700.00	5,804,842,020.00	24,196,300.00	557,092,044.00	46,031,800.00	91,186,000.00	6,735,866,864.00	10,937,630.00	6,746,824,494.00	6,811,429,164.00	1.166

Source: District records Tax list summary & Municipal Tax Assessor  
 Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.  
 Reassessment occurs when ordered by the County Board of Taxation  
 (a): Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies  
 (b): Tax rates are per \$100

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
UNAUDITED

Fiscal Year Ended June 30,	Township of Jackson Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	Total Direct School Tax Rate	Township of Jackson	Ocean County	
2020	1.275	0.115	1.390	0.512	0.466	2.368
2019	1.256	0.117	1.373	0.506	0.463	2.342
2018	1.224	0.107	1.331	0.498	0.454	2.283
2017	1.200	0.103	1.303	0.493	0.431	2.227
2016	1.179	0.112	1.291	0.482	0.418	2.191
2015	1.148	0.121	1.269	0.474	0.411	2.154
2014	1.126	0.107	1.233	0.468	0.396	2.097
2013	1.097	0.095	1.192	0.458	0.390	2.040
2012	1.069	0.094	1.163	0.441	0.364	1.968
2011	1.059	0.107	1.166	0.432	0.349	1.947

Source: District Records and Municipal Tax Collector  
(Rates are per \$100 of assessed value)

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

(a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable

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

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS - CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Six Flags Theme Park, Inc.	\$113,806,000.00	1	1.700%	\$110,880,600.00	1	1.652%
CPG Partners LP	77,016,800.00	2	1.100%	77,484,000.00	2	1.155%
Gardens at Jackson 21 LLC	47,187,100.00	3	0.320%			
GM Prospect Pointe LLC	31,500,000.00	4	0.470%			
Healthcare Reit Inc.	27,431,000.00	5	0.410%			
Jackson Plaza Associates	20,220,800.00	6	0.300%	20,220,800.00	5	0.301%
Centro NP LLC	16,250,000.00	7	0.240%			
Meridian Health Realty Corp	15,155,100.00	8	0.222%			
Cardinale & Jackson Crossing	12,576,200.00	9	0.190%	17,905,200.00	6	0.267%
Bartley Associates, LLC	11,500,000.00	10	0.180%	12,475,500.00	10	0.186%
Gaia Regency, LLC				30,723,900.00	3	0.458%
Bella Terra Community, LLC				27,431,000.00	4	0.409%
Centro/IA Bennetts Mills Plaza, LLC				17,500,000.00	7	0.261%
Leigh, Mitch				15,635,100.00	8	0.233%
Paramont Homes				13,347,700.00	9	0.199%
<b>Total</b>	<b>\$372,643,000.00</b>		<b>5.132%</b>	<b>\$343,603,800.00</b>		<b>5.120%</b>

Source: Municipal Tax Assessor

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
UNAUDITED

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (a)</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2021	\$95,806,405.00	\$95,806,405.00	100.00%	
2020	94,165,775.00	94,165,775.00	100.00%	
2019	91,856,163.00	91,856,163.00	100.00%	
2018	91,856,163.00	91,856,163.00	100.00%	
2017	86,792,371.00	86,792,371.00	100.00%	
2016	85,922,857.00	85,922,857.00	100.00%	
2015	83,422,645.00	83,422,645.00	100.00%	
2014	80,493,898.00	80,493,898.00	100.00%	
2013	78,410,008.00	78,410,008.00	100.00%	
2012	78,410,008.00	78,410,008.00	100.00%	

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

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

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	Governmental Activities		Total <u>District</u>	Percentage of Personal <u>Income (a)</u>	<u>Per Capita (a)</u>
	General Obligation <u>Bonds (b)</u>	Capital <u>Leases</u>			
2021	\$43,365,000.00	\$26,823,984.06	\$70,188,984.06	N/A	N/A
2020	49,570,000.00	27,847,353.13	77,417,353.13	N/A	\$1,326.30
2019	55,530,000.00	1,941,260.81	57,471,260.81	0.092%	995.50
2018	61,640,000.00	1,907,473.87	63,547,473.87	0.082%	1,110.62
2017	67,040,000.00	2,650,128.05	69,690,128.05	0.072%	1,221.07
2016	76,235,000.00	2,623,039.58	78,858,039.58	0.600%	1,389.99
2015	82,065,000.00	3,628,345.12	85,693,345.12	0.054%	1,640.03
2014	87,236,000.00	3,211,198.37	90,447,198.37	0.046%	1,602.28
2013	91,391,000.00	3,248,796.40	94,639,796.40	0.044%	1,838.67
2012	94,831,000.00	2,822,422.05	97,653,422.05	0.037%	1,755.85

Source: District ACFR Schedules I-1, I-2

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

(a) See Exhibit 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

N/A - Not available

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
RATIOS OF NET BONDED DEBT OUTSTANDING  
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	<u>General Bonded Debt Outstanding</u>			Percentage of Actual Taxable Value (a) of <u>Property</u>	<u>Per Capita (b)</u>
	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>		
2021	\$43,365,000.00	-	\$43,365,000.00	N/A	N/A
2020	49,570,000.00	-	49,570,000.00	0.725%	\$849.22
2019	55,530,000.00	-	55,530,000.00	0.819%	961.87
2018	61,640,000.00	-	61,640,000.00	0.912%	1,077.28
2017	67,040,000.00	-	67,040,000.00	0.991%	1,174.64
2016	76,235,000.00	-	76,235,000.00	1.140%	1,335.75
2015	82,065,000.00	655,000.00	81,410,000.00	1.221%	1,434.97
2014	87,236,000.00	1,275,000.00	85,961,000.00	1.293%	1,645.16
2013	91,391,000.00	1,865,000.00	89,526,000.00	1.344%	1,585.96
2012	94,831,000.00	2,425,000.00	92,406,000.00	1.377%	1,795.27

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

(a) See Exhibit J-6 for property tax data.

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

N/A - Not Available

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 AS OF DECEMBER 31, 2020  
UNAUDITED

<u>Governmental Unit</u>	<u>Gross Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Jackson Township	\$24,783,697.29	100.00%	\$24,783,697.29
Other debt			
Ocean County	498,431,846.66	7.34%	36,576,552.74
Ocean County Utilities Authority (Unaudited)	115,072,344.45	3.70%	<u>4,262,758.27</u>
Subtotal, overlapping debt			65,623,008.30
Jackson School District Direct Debt			<u>49,570,000.00</u>
Total direct and overlapping debt			<u><u>\$115,193,008.30</u></u>

Source: Township of Jackson Chief Financial Officer, Ocean County Treasurer's Office and Ocean County Utilities Authority.

(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.

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
UNAUDITED

Legal Debt Margin Calculation for Fiscal 2020:

Equalized Valuation Basis

Calendar Year	
2020	\$7,884,489,757.00
2019	7,813,217,523.00
2018	7,642,783,583.00
	<u>\$23,340,490,863.00</u>
Average Equalized Valuation of Taxable Property	\$7,780,163,621.00
Debt Limit (4% (a) of average equalization value)	311,206,544.84
Total Net Debt Applicable to Limit	<u>49,570,000.00</u>
Legal Debt Margin	<u>\$261,636,544.84</u>

	Fiscal Year Ending June 30,									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$311,206,544.84	\$305,087,666.17	\$293,458,505.93	\$280,661,177.72	\$268,782,296.69	\$262,680,004.68	\$262,594,042.25	\$266,138,492.11	\$271,878,167.25	\$277,679,084.84
Total Net Debt Applicable To Limit	49,570,000.00	55,530,973.00	67,040,973.00	67,040,973.00	67,040,000.00	76,235,973.00	82,065,973.00	87,236,973.00	91,391,000.00	94,831,000.00
Legal Debt Margin	<u>\$261,636,544.84</u>	<u>\$249,556,693.17</u>	<u>\$226,417,532.93</u>	<u>\$213,620,204.72</u>	<u>\$201,742,296.69</u>	<u>\$186,444,031.68</u>	<u>\$180,528,069.25</u>	<u>\$178,901,519.11</u>	<u>\$180,487,167.25</u>	<u>\$182,848,084.84</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	15.93%	18.20%	22.85%	23.89%	24.94%	29.02%	31.25%	32.78%	33.61%	34.15%

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 % limits would be applicable for other district types.

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
UNAUDITED

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2020	58,371	N/A	N/A	8.70%
2019	57,731	\$3,067,767,609.00	\$53,139.00	3.20%
2018	57,218	2,975,793,744.00	52,008.00	3.80%
2017	57,073	2,875,566,032.00	50,384.00	4.30%
2016	56,733	2,689,881,729.00	47,413.00	4.80%
2015	52,251	2,409,241,359.00	46,109.00	5.50%
2014	56,449	2,505,263,069.00	44,381.00	6.70%
2013	51,472	2,224,311,008.00	43,214.00	7.80%
2012	55,616	2,402,611,200.00	43,200.00	9.20%
2011	55,129	2,245,073,396.00	40,724.00	9.00%

## Source:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by municipality provided by NJ Dept. of Labor and Workforce Development.
- (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

N/A - Not Applicable

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO  
 UNAUDITED

<u>Employer</u>	2020			2011		
	<u># of Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u># of Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>
Six Flags Great Adventure Theme Par	N/A	1	N/A	4,000	1	16.00%
Jackson Township Board of Education	N/A	2	N/A	1,437	2	.5.74
	0		0.00%	5,437		16.00%

N/A - Not available

Source: District Records

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 UNAUDITED

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:										
Regular	442	474	476	487	495	490	491	499	499	498
Special education	335	334	321	313	315	302	294	282	284	293
Support Services:										
Student and instruction related services	162	169	175	190	181	181	185	185	184	177
General administrative services	4	4	4	4	4	4	3	3	4	4
School administrative services	60	62	62	64	63	63	63	63	63	65
Plant operations and maintenance	177	184	182	177	177	176	169	169	169	168
Pupil transportation	158	161	156	153	154	157	162	158	158	161
Central services	18	18	18	18	18	18	18	18	18	18
Administration information technology	8	8	8	8	8	8	8	8	8	8
Food Service	58	58	60	60	62	62	62	61	58	60
Child Care	4	4	4	4	4	4	4	4	4	3
<b>Total</b>	<b>1,426</b>	<b>1,476</b>	<b>1,466</b>	<b>1,478</b>	<b>1,481</b>	<b>1,465</b>	<b>1,459</b>	<b>1,450</b>	<b>1,449</b>	<b>1,455</b>

Source: District Personnel Records

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
 OPERATING STATISTICS  
 UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	% Change	Teaching Staff (b)	Teacher/Pupil Ratio		Average Daily Enrollment (c)	Average Daily Attendance (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	High School				
2021	7,630	\$167,634,943.51	\$21,970.50	10.11%	756	1:10	1:10	7,610	7,143	-4.71%	93.86%
2020	7,963	158,882,655.76	19,952.61	1.11%	795	1:10	1:10	7,986	7,678	-1.69%	96.14%
2019	8,106	159,967,522.78	19,734.46	4.79%	803	1:10	1:10	8,123	7,636	-4.49%	94.30%
2018	8,190	154,239,682.65	18,832.68	7.56%	808	1:9	1:10	8,205	7,686	-2.72%	93.67%
2017	8,440	147,769,478.80	17,508.23	6.90%	816	1:9	1:12	8,434	7,902	-1.94%	93.69%
2016	8,660	141,840,950.41	16,378.86	3.53%	814	1:9	1:12	8,601	8,123	-1.22%	94.44%
2015	8,780	138,908,361.05	15,821.00	4.90%	806	1:10	1:12	8,707	8,201	-2.62%	94.19%
2014	9,015	135,969,263.58	15,082.56	2.47%	808	1:11	1:12	8,941	8,471	-2.27%	94.74%
2013	9,183	135,169,678.61	14,719.56	7.98%	816	1:11	1:12	9,149	8,653	-2.65%	94.58%
2012	9,478	129,205,166.85	13,632.11	2.57%	814	1:11	1:12	9,398	8,927	-1.07%	94.99%

Sources: District records

Note: Enrollment based on annual October district count.

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

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

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

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
UNAUDITED

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>District Buildings</b>										
Elementary School(s):										
Elms Elementary School (2003)	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Square Feet	808	808	808	808	808	808	808	808	808	808
Capacity (students)	625	606	619	609	622	645	680	673	697	758
Enrollment										
Crawford Rodriguez Elementary School (2001)	107,400	107,400	107,400	107,400	107,400	107,400	107,400	107,400	107,400	107,400
Square Feet	742	742	742	742	742	742	742	742	742	742
Capacity (students)	534	623	656	658	674	733	783	830	800	785
Enrollment										
Switlik Elementary School (1948)	62,750	62,750	62,750	62,750	62,750	62,750	62,750	62,750	62,750	62,750
Square Feet	475	475	475	475	475	475	475	475	475	475
Capacity (students)	737	747	753	777	819	828	806	802	851	871
Enrollment										
Holman Elementary School (1970)	62,280	62,280	62,280	62,280	62,280	62,280	62,280	62,280	62,280	62,280
Square Feet	462	462	462	462	462	462	462	462	462	462
Capacity (students)	498	534	549	566	624	630	653	635	656	691
Enrollment										
Johnson Elementary School (1970)	47,490	47,490	47,490	47,490	47,490	47,490	47,490	47,490	47,490	47,490
Square Feet	352	352	352	352	352	352	352	352	352	352
Capacity (students)	398	449	463	468	466	461	479	547	587	608
Enrollment										
Rosenauer Middle School (1962)	34,128	34,128	34,128	34,128	34,128	34,128	34,128	34,128	34,128	34,128
Square Feet	252	252	252	252	252	252	252	252	252	252
Capacity (students)	235	260	285	289	310	315	303	315	308	335
Enrollment										
Middle School(s):										
McAuliffe Middle School (1993)	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Square Feet	886	886	886	886	886	886	886	886	886	886
Capacity (students)	805	855	844	908	878	906	902	957	993	1,027
Enrollment										
Goetz Middle School (1973)	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Square Feet	886	886	886	886	886	886	886	886	886	886
Capacity (students)	1,049	1,112	1,129	1,139	1,174	1,193	1,212	1,209	1,207	1,280
Enrollment										
High School(s):										
Jackson Memorial High School	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
Square Feet	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980
Capacity (students)	1,585	1,599	1,582	1,560	1,554	1,560	1,592	1,635	1,690	1,715
Enrollment										
Jackson Liberty High School	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000
Square Feet	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Capacity (students)	1,100	1,099	1,142	1,151	1,248	1,320	1,298	1,342	1,306	1,324
Enrollment										

Number of Schools at June 30, 2021

Elementary = 6

Middle School = 2

High School = 2

Source: District records

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.

TOWNSHIP OF JACKSON SCHOOL DISTRICT  
 SCHEDULE OF REQUIRED MAINTENANCE  
 UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

School Facilities * Project #(s)	Total	Liberty High School	Jackson Memorial High School	Rosenauer	Johnson	Holman	McAuliffe	Switlik	Elms	Goetz	Crawford/Rodriguez	Other Facilities
2021	\$1,436,409.00	\$248,291.00	\$323,577.00	\$33,061.00	\$83,355.00	\$57,589.00	\$173,040.00	\$56,088.00	\$139,966.00	\$200,076.00	\$112,128.00	\$9,238.00
2020	1,524,088.00	271,786.00	451,256.00	32,931.00	69,447.00	58,869.00	155,244.00	62,860.00	128,216.00	163,333.00	121,134.00	9,012.00
2019	1,524,273.50	259,761.50	307,132.00	51,467.00	74,585.00	59,739.00	222,792.00	72,588.00	140,405.00	175,508.00	149,483.00	10,813.00
2018	1,502,967.00	308,493.00	302,359.00	47,812.00	50,552.00	55,296.00	179,985.00	63,176.00	136,947.00	181,235.00	164,232.00	12,880.00
2017	1,390,697.00	263,297.00	249,230.00	61,446.00	40,009.00	55,884.00	156,680.00	57,973.00	120,553.00	204,476.00	170,347.00	10,802.00
2016	1,297,893.00	247,385.00	222,146.00	30,322.00	44,168.00	51,205.00	161,554.00	69,775.00	137,828.00	168,424.00	154,839.00	10,247.00
2015	1,482,204.00	208,946.00	219,262.00	362,862.00	34,893.00	44,159.00	148,862.00	54,573.00	125,487.00	119,934.00	155,106.00	8,120.00
2014	1,607,792.00	223,155.00	630,008.00	58,646.00	41,823.00	63,186.00	130,204.00	61,588.00	138,397.00	121,345.00	130,035.00	9,405.00
2013	1,750,158.00	238,802.00	236,387.00	29,613.00	34,057.00	630,853.00	135,328.00	48,217.00	126,533.00	130,572.00	130,200.00	9,596.00
2012	1,349,484.00	255,361.00	236,081.00	27,452.00	297,548.00	47,789.00	117,153.00	48,060.00	116,626.00	124,940.00	69,146.00	9,328.00
<b>Total School Facilities</b>	<b>\$14,865,965.50</b>	<b>\$2,525,277.50</b>	<b>\$3,177,438.00</b>	<b>\$735,612.00</b>	<b>\$770,437.00</b>	<b>\$1,124,569.00</b>	<b>\$1,580,842.00</b>	<b>\$594,898.00</b>	<b>\$1,310,958.00</b>	<b>\$1,589,843.00</b>	<b>\$1,356,650.00</b>	<b>\$99,441.00</b>

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

Source: District records

JACKSON TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2021  
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<b>Property:</b>		
Special Multi Peril Package: Reinsurer: Great American Insurance Co. /ACCASBOJIF		
Blanket Buildings & Contents, EDP Equipment, Data, Media & Extra Expense Musical Instruments & Contractor Equip.	174,749,500 (XS \$250,000.00)	
Earthquake	150,000,000 Per Occurrence -Sublimit	\$ 250,000
Flood:		
	Per Occurrence Sublimit per Location	
A Flood Zones	\$ 10,000,000	\$ 500,000
<b>Terrorism (Property - Certified or Non-Certified Event ) Lloyd's of London /ACCASBOJIF</b>		
Property Damage and Business Interruption	\$ 75,000,000 Per Occurrence	\$ 10,000
Prevention or Restriction of Access to Premises	\$ 5,000,000 Per Occurrence	\$ 10,000
Contingent Business Interruption	\$ 5,000,000 Per Occurrence	\$ 10,000
Utilities	\$ 5,000,000 Per Occurrence	\$ 10,000
Bodily Injury and Property Damage Liability	\$ 5,000,000 Per Occurrence	\$ 10,000
<b>General Liability/ Auto Liability- Reinsurer: General Reinsurance Corp./ACCASBOJIF</b>		
General Liability/ Auto Liability Limit	14,750,000 (XS \$250,000.00)	
Employee Benefit Liability	14,750,000 (XS \$250,000.00)	
Employee Benefit Liability Retroactive Date	7/1/2008	
<b>Boiler &amp; Machinery - Travelers Insurance /ACCASBOJIF</b>		
Property Damage , Business Income and Extra Expense	\$ 125,000,000	
<b>Sub-limits per Occurrence:</b>		
Off Premises Property Damage	5,000,000	
Service Interruption:	Included in limit Subject to 4 Hour waiting period	
Spoilage/Perishable Goods:	\$100,000,000 Subject to 4 Hour waiting period	
Data Restoration:	5,000,000	
Ordinance or Law:	\$10,000,000	
Expediting Expenses	Included in limit	
Hazardous Substances:	\$10,000,000	
Newly Acquired Locations:	Included in limit 365 days Maximum coverage	
<b>Deductibles:</b>		
Direct Coverage		\$ 1,000
Perishable Goods		\$ 1,000
Indirect Coverage		12 Hours
<b>Statutory Workers Compensation Excess Coverage Limits: Safety National Casualty Corporation /ACCASBOJIF</b>		
Workers' Compensation:	Statutory XS \$1,000,000	
Employer's Liability and Occupational Disease:	\$1,000,000 xs \$1,000,000	
<b>Educator's Legal Liability - Reinsurer: General Reinsurance Corporation /ACCASBOJIF</b>		
Educator's Legal Liability	\$14,750,000 x \$250,000	
<b>Commercial Pollution and Mold Legal Liability Insurance - Carrier: Beazley/ Lloyd's of London /ACCASBOJIF:</b>		
Each Incident On-Site Clean-up/ Legal Liability	\$ 3,000,000	\$25,000 Each
Annual Aggregate Per Owner Group Joint Insurance Fund,		Pollution Incident*
On-Site Clean-Up / Legal Liability	\$ 6,000,000	
Annual Aggregate On-Site Clean-Up/ Legal Liability	\$ 12,000,000	
First Party Property Damage Sublimit per Owner Group JIF	\$ 100,000	
* Mold Deductibles are tiered from \$50,000 to \$250,000 depending upon age and major renovation and shall be determined at time of loss		
<b>Cyber Liability - Carrier: Starr Indemnity &amp; Liability Company /ACCASBOJIF</b>		
Security and Privacy Liability	\$ 2,000,000	
Incident Response Expense	\$ 2,000,000	
Business Interruption	\$ 2,000,000	\$50,000 -
Business Interruption Waiting Period	8 hours	\$100,000 8 Hour
Data Recovery (including bricking)	\$ 2,000,000	waiting period for
Regulatory Proceedings	\$ 2,000,000	Business
Cyber Extortion	\$ 2,000,000	Interruption
Media Liability	\$ 2,000,000	
Aggregate Limit	\$ 15,000,000	
Retroactive Date	Prior & pending Date: 7/1/2018 / Full Prior Acts	

JACKSON TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2021  
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<b>Crisis Protection &amp; Disaster Management Services - Lloyds of London /ACCASBOJIF:</b>		
Each Occurrence	\$ 1,000,000	
Annual Aggregate Per Owner Group Joint Insurance Fund	\$ 10,000,000	\$ 10,000
<b>Commercial Umbrella Liability Insurance - Fireman's Fund Insurance Company /ACCASBOJIF:</b>		
Aggregated Shared Program Limit :	\$ 50,000,000	
Underlying Insurance:	\$ 20,000,000	GL/AL/ELL
<b>Student Accident: 2 policies (Basic &amp; Catastrophe Plan)</b>		
Carrier: QBE Insurance Company through Bob McCloskey		
Basic Disability Plan for all students including interscholastic athletes:	\$ 25,000	
Accidental Death Benefit limit	\$10,000/25,000/50,000	
80% coinsurance, \$1000 deductible		
Full Excess plan, 2 year benefit period		
Catastrophe Plan for all students including interscholastic athletes:		
Excess Disability limit over basic plan- Max Medical Expense Benefit	\$ 5,000,000	
Accidental Death Benefit limit	\$ 10,000	
10 year benefit period		
<b>Board Secretary / Business Administrator</b>		
Carrier: Travelers Insurance Co through Glenn Insurance, Inc	\$ 250,000	
<b>Treasurer of School Funds</b>		
Carrier: Travelers Insurance Co. through Glenn Insurance, Inc	\$ 750,000	

**SINGLE AUDIT SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

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

Honorable President and Members  
of the Board of Education  
Jackson School District  
County of Ocean  
Jackson, New Jersey 08527

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in compliance with 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 and each major fund of the Jackson School District (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2022.

### ***Internal Control Over Financial Reporting***

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

# SUPLEE, CLOONEY & COMPANY

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 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 financial statements. 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

January 27, 2022



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL  
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members  
of the Board of Education  
Jackson School District  
County of Ocean  
Jackson, New Jersey 08527

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

We have audited the Jackson School District's, County of Ocean, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the New Jersey *OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Jackson School District's major federal and state programs for the year ended June 30, 2021. The 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 Jackson 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; and the audit requirements 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 15-08*. Those standards, the Uniform Guidance and New Jersey *OMB 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 Jackson 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 Jackson School District's compliance.

# SUPLEE, CLOONEY & COMPANY

## **Opinion on Each Major Federal and State Program**

In our opinion, the Jackson School District, County of Ocean, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

## **Report on Internal Control Over Compliance**

Management of the Jackson 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 Jackson School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with *the Uniform Guidance* and New Jersey OMB 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 Jackson 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 and 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 State of New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

January 27, 2022

JACKSON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2021

FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD FROM	GRANT PERIOD TO	AWARD AMOUNT	BALANCE AT JUNE 30, 2020	CARRY OVER	CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT BUDGETARY EXPENDITURES	ADJUSTMENTS / CANCEL PRIOR YEAR ACCOUNTS PAYABLE	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE JUNE 30, 2021			
													(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE		
													DUPLICATE	GRANTOR		
General Fund:																
93.778	1705N5MAP	N/A	7/1/2020	6/30/2021	276,545.37 \$			276,545.37 \$	(276,545.37 \$)					\$	\$	
93.461		N/A	7/1/2020	6/30/2021	25,851.85			25,851.85	(25,851.85)					\$	\$	
Total General Fund															301,397.22	
Special Revenue Fund:																
U.S. Department of Education																
Passed-through State Department of Education:																
Medical Assistance Program (SEM)																
Medical Assistance Program (FFCRA)																
Total U.S. Department of Education																
U.S. Department of Education																
Passed-through State Department of Education:																
ID.E.A. Part B Special Education Cluster:																
84.027	S027A151100	IDEA238020	7/1/19	6/30/20	1,931,299.00	(215,798.00)		215,798.00	(1,971,798.00)					(272,157.00)		
84.027	S027A151100	IDEA238019	7/1/20	6/30/21	1,973,042.00			1,699,641.00						(19,988.00)		
84.173	S173A150114	IDEA238020	7/1/19	6/30/20	68,164.00	(14,009.00)		14,009.00								
84.173	S173A150114	IDEA238019	7/1/20	6/30/21	67,372.00			47,464.00						(19,988.00)		
Total ID.E.A. Part B Special Education Cluster															2,039,170.00	(282,125.00)
Title I																
84.010	S010A170030	NCLB286020	7/1/19	6/30/20	948,405.00	(141,271.00)		141,271.00						(304,351.07)		
84.010	S010A170030	NCLB286019	7/1/20	6/30/21	1,333,287.00			874,862.00								
84.367	S367A170028	NCLB286020	7/1/19	6/30/20	45,977.00	(45,977.00)		45,977.00								
84.367	S367A170028	NCLB286019	7/1/20	6/30/21	246,406.00			181,176.00						(68,230.00)		
84.365	S365A170030	NCLB286020	7/1/19	6/30/20	40,038.00	(8,837.00)		8,837.00								
84.365	S365A170030	NCLB286019	7/1/20	6/30/21	74,118.00			49,960.00						(24,156.00)		
84.365a	S365A170030	NCLB286020	7/1/19	6/30/20	5,038.00	(405.00)		405.00								
84.365a	S365A170030	NCLB286019	7/1/20	6/30/21	6,007.00									(825.00)		
84.424	S424A170028	NCLB286020	7/1/19	6/30/20	26,234.00	(2,320.00)		2,320.00								
84.424	S424A170028	NCLB286019	7/1/20	6/30/21	29,500.00			25,949.00						(9,551.00)		
84.048	V048A170030	N/A	7/1/19	6/30/20	61,024.00	(11,518.00)		11,518.00								
84.048	V048A170030	N/A	7/1/20	6/30/21	70,253.00			68,387.00						(1,838.24)		
84.425D	S425D20027	N/A	3/13/20	9/30/22	678,107.59	(173,967.00)		669,076.00	(604,200.99)					69,031.99		
Total U.S. Department of Education															3,362,716.00	(440,135.00)
U.S. Department of Treasury																
Passed-through State Department of Education:																
Coronavirus Relief Fund:																
CRF - LEA Region																
21.019	21-1520-517	N/A	8/1/20	6/30/21	470,268.00			470,268.00	(468,343.40)					924.60		
12.300	N/A	N/A	7/1/19	6/30/20	11,213.00			7,655.00	(5,415.65)					2,239.35		
12.357	N/A	N/A	7/1/20	6/30/21	18,204.00			4,539,715.00	(4,629,117.45)					(70,608.40)		
Total Special Revenue Fund															614,042.00	
United States Department of Defense:																
Naval Vulture Center Aircraft Division																
NAF Grant																
JROTC																
Total Special Revenue Fund															614,042.00	
Enterprise Fund:																
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Child Nutrition Cluster:																
National School Lunch Program																
U.S.D.A. Commodity Program																
10.555	16161N2004N1099	N/A	7/1/19	6/30/20	128,742.54	30,351.99		188,428.73	(30,261.59)					35,753.14		
10.555	16161N2004N1099	N/A	7/1/20	6/30/21	158,077.14			152,675.89								
10.553	16161N2004N1099	N/A	3/13/20	6/30/20	36,016.36	(8,072.00)		8,072.00								
10.555	16161N2004N1099	N/A	7/1/20	6/30/21	974,176.75			905,981.86						(68,194.89)		
10.555	16161N2004N1099	N/A	3/13/20	6/30/20	60,012.59	(13,787.76)		13,787.76								
10.555	16161N2004N1099	N/A	7/1/20	6/30/21	1,908,254.56			1,790,526.26						(117,728.30)		
10.555	202211H10341	N/A	7/1/20	6/30/21	122,562.29			2,906,796.61	(3,189,020.78)					(306,486.48)		
10.549	202215900841	N/A	7/1/20	6/30/21	3,063.00	8,491.83		2,906,796.61	(3,189,020.78)					35,753.14		
Total Child Nutrition Cluster															3,063,000	8,491.83
ED Administrative Cost															3,063,000	
Total Enterprise Fund															3,063,000	8,491.83
Total Federal Financial Assistance															\$ (605,550.17) \$	\$ (8,121,598.45) \$
													\$ 7,747,908.83 \$	(8,121,598.45) \$	\$ (1,018,156.88) \$	\$ 38,917.09 \$

See accompanying notes to schedules of financial assistance.

JACKSON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

STATE GRANTOR/PROGRAM/TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM	GRANT PERIOD TO	BALANCE JUNE 30, 2020		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	REPAYMENT OF PRIOR YEARS BALANCES	BALANCE JUNE 30, 2021		MEMO	
					UNEARNED (ACCT'S REC)	DUE TO GRANTOR					(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education														
General Funds:														
Equitization Aid	21-456-034-5120-078	\$36,323,732.00	07/01/2020	06/30/2021	\$	\$	\$ 32,734,986.00	(36,323,732.00)	3,588,736.00	\$	\$	\$ 3,588,736.00	\$	36,323,732.00
Categorical Special Education Aid	21-456-034-5120-089	5,211,500.00	07/01/2020	06/30/2021			4,696,613.00	(5,211,500.00)	514,887.00			514,887.00		5,211,500.00
Security Aid	21-456-034-5120-084	854,977.00	07/01/2020	06/30/2021			770,507.00	(854,977.00)	84,470.00			84,470.00		854,977.00
Equitization Aid	20-456-034-5120-078	39,805,236.00	07/01/2019	06/30/2020			3,940,386.00	(3,940,386.00)						39,805,236.00
Categorical Special Education Aid	20-456-034-5120-089	5,211,500.00	07/01/2019	06/30/2020			515,894.00	(515,894.00)						5,211,500.00
Security Aid	20-456-034-5120-084	854,977.00	07/01/2019	06/30/2020			84,634.00	(84,634.00)						854,977.00
Subtotal State Aid - Public Cluster							42,743,030.00	(42,390,209.00)	(352,821.00)			4,188,093.00		86,261,922.00
Categorical Transportation Aid	21-456-034-5120-014	601,355.00	07/01/2020	06/30/2021			541,940.00	(601,355.00)	59,415.00			59,415.00		601,355.00
Categorical Transportation Aid	20-456-034-5120-014	601,355.00	07/01/2019	06/30/2020			59,529.00	(59,529.00)						601,355.00
Extraordinary Aid	21-456-034-5120-044	1,930,510.00	07/01/2020	06/30/2021			125,328.00	(1,930,510.00)	1,805,181.00			1,805,181.00		1,930,510.00
Extraordinary Aid	20-456-034-5120-044	1,251,255.00	07/01/2019	06/30/2020			1,251,255.00							1,251,255.00
Non-Public Transportation Aid	21-456-034-5120-014	387,932.00	07/01/2020	06/30/2021			403.00	(387,932.00)	387,932.00			387,932.00		387,932.00
Non-Public Transportation Aid	20-456-034-5120-014	403.00	07/01/2019	06/30/2020										403.00
Reimbursed TPAF Social Security Contributions	21-456-034-5094-003	4,144,200.98	07/01/2020	06/30/2021			4,144,200.98	(4,144,200.98)						4,144,200.98
On-behalf TPAF non-contributory insurance	21-456-034-5094-004	295,702.00	07/01/2020	06/30/2021			295,702.00	(295,702.00)						295,702.00
On-behalf TPAF Pension	21-456-034-5094-002	15,541,741.00	07/01/2020	06/30/2021			15,541,741.00	(15,541,741.00)						15,541,741.00
On-behalf TPAF Long Term Disability	21-456-034-5094-004	6,487.00	07/01/2020	06/30/2021			6,487.00	(6,487.00)						6,487.00
On-behalf TPAF post retirement medical	21-456-034-5094-001	4,963,208.00	07/01/2020	06/30/2021			4,963,208.00	(4,963,208.00)						4,963,208.00
Total General Funds					(1,251,658.00)		69,672,824.98	(70,261,344.98)	(352,935.00)		(2,193,113.00)	6,440,821.00		117,996,070.98
Special Revenue Fund:														
Non-Public Comp Aid	20-100-034-5120-067	43,406.00	07/01/2019	06/30/2020			4,873.00		(48,671.00)					43,406.00
Non-Public English Language Learner	20-100-034-5120-067	4,963.00	07/01/2019	06/30/2020			4,963.00		(490.00)					4,963.00
Non-Public Examination & Classification	19-100-034-5120-086	372.00	07/01/2020	06/30/2021			372.00				372.00			372.00
Non-Public Examination & Classification	20-100-034-5120-086	25,461.00	07/01/2019	06/30/2020			2,583.00		(25,461.00)					25,461.00
Non-Public Corrective Speech	19-100-034-5120-086	911.00	07/01/2020	06/30/2021			911.00				911.00			911.00
Non-Public Corrective Speech	20-100-034-5120-086	30,077.00	07/01/2019	06/30/2020			3,101.00		(30,077.00)					30,077.00
Non-Public Supplemental Instruction	19-100-034-5120-086	809.00	07/01/2020	06/30/2021			809.00				809.00			809.00
Non-Public Supplemental Instruction	20-100-034-5120-086	24,285.00	07/01/2019	06/30/2020			2,507.00		(24,285.00)					24,285.00
Non-Public Transportation	20-100-034-5120-088	5,143.00	07/01/2020	06/30/2021			5,143.00				2,092.00			5,143.00
Non-Public Transportation	20-100-034-5120-088	4,281.00	07/01/2019	06/30/2020			428.00		(128,984.00)					4,281.00
Total Special Revenue Fund					(13,982.00)		21,217.00	(5,143.00)			2,092.00			134,745.00
Debt Service Fund:														
Debt Service Aid Type II	21-456-034-5120-075	471,848.00	07/01/2020	06/30/2021			471,848.00	(471,848.00)						471,848.00
Total Debt Service Fund							471,848.00	(471,848.00)						471,848.00
Enterprise Fund:														
National School Lunch Program (State Share)	21-100-034-5120-122	84,408.71	07/01/2020	06/30/2021			76,023.11	(84,408.71)			(8,385.60)			84,408.71
National School Lunch Program (State Share)	20-100-034-5120-122	20,883.20	07/01/2019	06/30/2020			217.86							20,883.20
Total Enterprise Fund							76,240.97	(84,408.71)			(8,385.60)			105,291.91
Total State Financial Assistance							139,457.00	(70,822,744.69)	(352,935.00)		(2,201,888.60)	6,449,006.60		119,697,865.89
Less: On-behalf amounts not utilized for determination of Major Programs:														
On-behalf TPAF non-contributory insurance							(5295,702.00)							
On-behalf TPAF Pension							(15,541,741.00)							
On-behalf TPAF Long Term Disability							(6,487.00)							
On-behalf TPAF post retirement medical							(4,963,208.00)							
Total State Financial Assistance Subject to Single Audit							\$49,434,922.95							\$49,434,922.95

See accompanying notes to schedules of financial assistance.

**Jackson Township School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2021**

**NOTE 1: GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Jackson Township School District ("the District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received directly from the 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: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

**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 schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The General fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the deferred state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP accounting purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the 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 revenue, whereas GAAP basis does not. The special revenue fund also recognizes the deferred state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

**Jackson Township School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2021**

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$352,935.00) for the general fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$301,397.22	\$70,614,279.98	\$70,915,677.20
Special Revenue Fund	4,629,117.45	5,143.00	4,634,260.45
Debt Service Fund		471,848.00	471,848.00
Food Service Fund	3,191,083.78	84,408.71	3,275,492.49
	<u>\$8,121,598.45</u>	<u>\$71,175,679.69</u>	<u>\$79,297,278.14</u>
GAAP Adjustment		(352,935.00)	(352,935.00)
Total Awards & Financial Assistance	<u>\$8,121,598.45</u>	<u>\$70,822,744.69</u>	<u>\$79,297,278.14</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: OTHER**

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, post-retirement medical benefits and long-term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2021. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2021.

**Jackson Township School District**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- (1) Type of Auditor’s Report Issued: Unmodified
- (2) Internal Control Over Financial Reporting:
  - (a) Material weakness(es) identified? No
  - (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (3) Noncompliance material to the basic financial statements noted during the audit? No

**Federal Program(s)**

- (1) Internal Control Over Major Federal Programs:
  - (a) Material weaknesses identified? No
  - (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major federal program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516 (a) of the Uniform Guidance? No
- (4) Identification of Major Federal Program(s):

<u>Program</u>	<u>CFDA</u>
CARES - ESSERF	84.425D
National School Lunch Program	10.555
School Breakfast Program	10.553

- (5) Program Threshold Determination:
  - Type A Federal Program Threshold > \$750,000.00
  - Type B Federal Program Threshold <= \$750,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular Uniform Guidance? Yes

**Jackson Township School District**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**Section I – Summary of Auditor’s Results (Continued)**

**State Program(s)**

- | (1)                               | Internal Control Over Major State Programs:   |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
|-----------------------------------|---|----------------------|-----------------------|--------------------------|--|------------------|------------------|-----------------------------------|------------------|--------------|------------------|--------------------------|------------------|-------------------|------------------|--|
|                                   | (a) Material weakness(es) identified?   | No                   |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
|                                   | (b) Significant deficiencies identified that are not considered to be material weaknesses?  | No                   |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| (2)                               | Type of Auditor’s Report issued on compliance for major state program(s)?   | Unmodified           |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| (3)                               | Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08?   | No                   |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| (4)                               | Identification of Major State Program(s):   |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
|                                   | <table border="0"> <thead> <tr> <th style="text-align: left;"><u>Program Title</u></th> <th style="text-align: left;"><u>Project Number</u></th> </tr> </thead> <tbody> <tr> <td>State Aid Public Cluster</td> <td></td> </tr> <tr> <td>    Equalization Aid</td> <td>495-034-5120-078</td> </tr> <tr> <td>    Special Education Categorical Aid</td> <td>495-034-5120-089</td> </tr> <tr> <td>    Security Aid</td> <td>495-034-5120-084</td> </tr> <tr> <td>Debt Service Aid Type II</td> <td>495-034-5120-075</td> </tr> <tr> <td>Extraordinary Aid</td> <td>495-034-5120-044</td> </tr> </tbody> </table> | <u>Program Title</u> | <u>Project Number</u> | State Aid Public Cluster |  | Equalization Aid | 495-034-5120-078 | Special Education Categorical Aid | 495-034-5120-089 | Security Aid | 495-034-5120-084 | Debt Service Aid Type II | 495-034-5120-075 | Extraordinary Aid | 495-034-5120-044 |  |
| <u>Program Title</u>              | <u>Project Number</u>   |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| State Aid Public Cluster          |   |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| Equalization Aid                  | 495-034-5120-078  |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| Special Education Categorical Aid | 495-034-5120-089  |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| Security Aid                      | 495-034-5120-084  |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| Debt Service Aid Type II          | 495-034-5120-075  |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| Extraordinary Aid                 | 495-034-5120-044  |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| (5)                               | Program Threshold Determination:<br>Type A State Program Threshold > \$1,500,468.20<br>Type B State Program Threshold <= \$1,500,468.20   |                      |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |
| (6)                               | Auditee qualified as a low-risk auditee under OMB Circular 15-08?   | Yes                  |                       |                          |  |                  |                  |                                   |                  |              |                  |                          |                  |                   |                  |  |

**Jackson Township School District**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards**

**Internal Control Findings** – None Reported

**Compliance Findings** – None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

Federal Programs – None Reported

State Programs – None Reported

**Jackson Township School District**  
**Schedule of Prior Year Audit Findings**

Not Applicable



