

PLUMSTED TOWNSHIP SCHOOL DISTRICT

Plumsted, New Jersey

County of Ocean

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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INTRODUCTORY SECTION

Plumsted Township School District

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

Michelle-Halperin-Krain
Superintendent of Schools

Sean Gately
*Business Administrator/
Board Secretary*

March 7, 2022

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

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Plumsted Township School District for the fiscal year ended June 30, 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 Plumsted Township School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2021, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:

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

Financial Section:

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

Statistical Section:

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

Single Audit Section:

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

REPORTING ENTITY AND ITS SERVICES

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

The School District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular as well as special education for children with special needs.

ECONOMIC CONDITION AND OUTLOOK

As a result of the COVID-19 pandemic, in-person learning was cancelled between March 16, 2020 and October 2, 2020. Limited in-person instruction resumed on October 5, 2020 with the vast majority of students alternating between in-person and virtual instruction until March 22, 2021 for elementary students and March 29, 2021 for middle and high school students. Reduced operational costs resulted in the District’s fund balance reserves increasing from \$2,342,158 at June 30, 2020 to \$3,245,868 at June 30, 2021, an increase of \$903,710, 38.6%.

State aid reductions continue as per the July 24, 2018 legislation, known as S2, reforming the school funding formula and distribution of state aid to school districts. The District’s state aid reduction was \$112,017 for 2018-2019; \$798,914 for 2019-2020; and \$1,283,888 for 2020-2021. For the 2021-2022 school year the reduction based upon the funding formula is \$1,934,948 but was reduced by the award of \$936,579 in Stabilization Aid and Education Rescue Grants from the State of New Jersey. State aid is anticipated to be reduced each year through the 2024-2025 school year due to the determination that the District is overfunded per the S2 legislation.

The District has been allocated COVID-19 relief funds in the amount of \$2,950,851 to date. The funding will be appropriated to the retention of staff and programs in order to maintain the safe operation of schools and address learning loss due to school closure and virtual instruction.

The District student enrollment continues to decline as reported in the Application for State School Aid. Enrollment in the District has declined from a high of 1,841 students in the 2007-2008 school year. The table below represents the last five (5) years:

School Year	Enrollment as of October 15	% Change
2016-2017	1,334	-2.91%
2017-2018	1,285	-3.67%
2018-2019	1,231	-4.20%
2019-2020	1,159	-5.85%
2020-2021	1,082	-6.64%

EDUCATION PROGRAMS

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

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

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

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

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

INTERNAL ACCOUNTING CONTROLS

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

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

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

BUDGETARY CONTROLS

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

ACCOUNTING SYSTEM AND REPORTS

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

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman Frenia Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S.

Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements

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

ACKNOWLEDGEMENTS

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

Respectfully submitted,

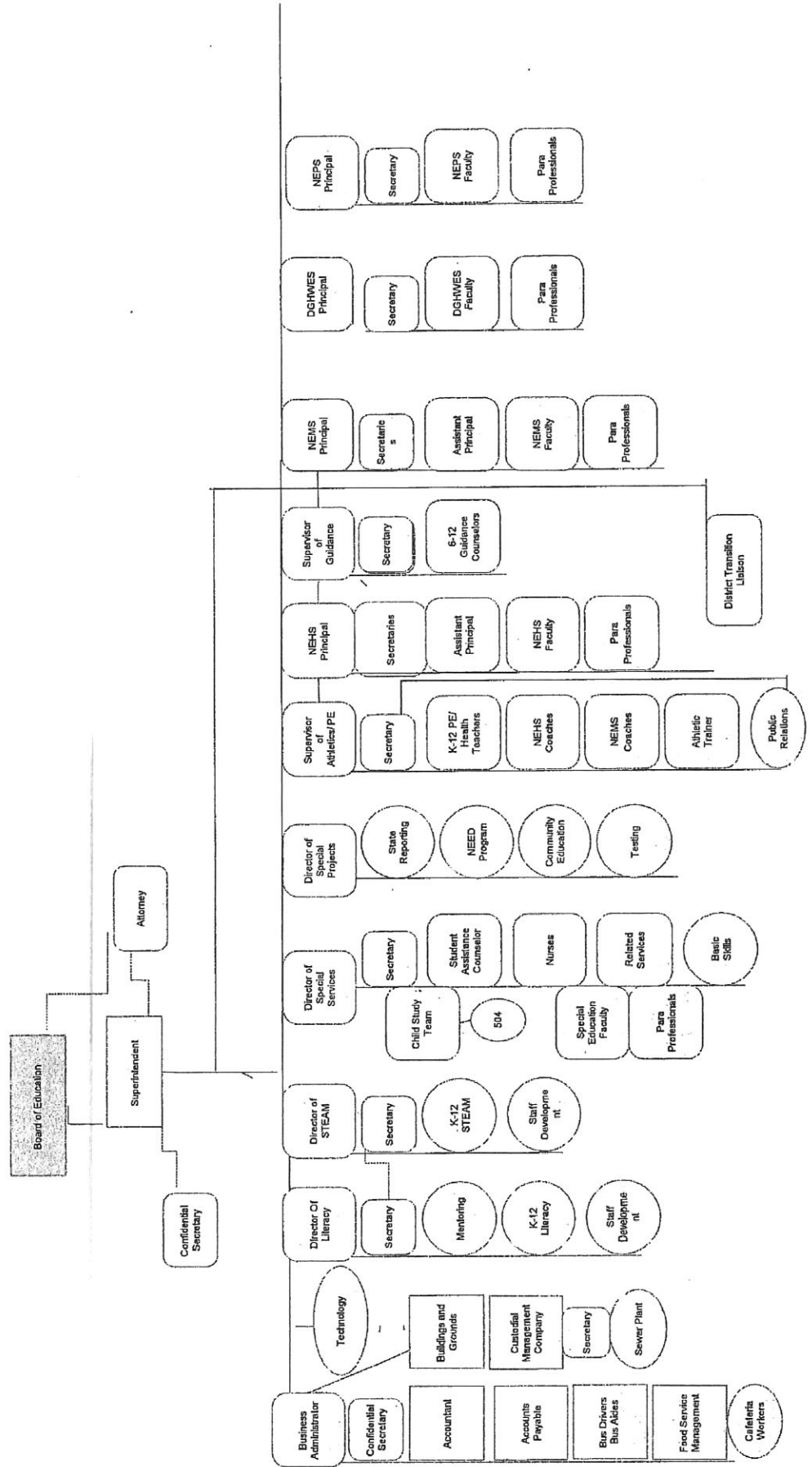


Michelle-Halperin-Krain
Acting Superintendent of Schools



Sean Gately
School Business Administrator/
Board Secretary

Plumsted Township School District



PLUMSTED TOWNSHIP SCHOOL DISTRICT
Plumsted, New Jersey

ROSTER OF OFFICIALS

JUNE 30, 2021

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Sandra Soles, President	December 31, 2025
S. Justin Burnett, Vice President	December 31, 2023
Robert Kudrick	December 31, 2021
Susan Potter	December 31, 2023
Monica Sempervive	December 31, 2021
Leslie Septor	December 31, 2022
Larry Witham	December 31, 2021

OTHER OFFICIALS

Michelle Halperin-Krain, Acting Superintendent
Sean Gately, Business Administrator
Stein & Supsie, Board Attorney
Frank J. Frazee, Treasurer

PLUMSTED TOWNSHIP SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

AUDIT FIRM

Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave. Suite 3
Lakewood, NJ 08701

ATTORNEY

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

BOND COUNSEL

Wilentz, Goldman, & Spitzer, P.A.
90 Woodbridge Center Drive, Suite 900
Woodbridge, NJ 07095

OFFICIAL DEPOSITORY

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

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Plumsted Township School District, County of Ocean, State of New Jersey (hereafter referred to as the School District), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School 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 School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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, each major fund and the aggregate remaining fund information of the Plumsted Township School District, County of Ocean, State of New Jersey, as of June 30, 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 financial statements, during the fiscal year ended June 30, 2021 the School District adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is 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, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Government Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2022 on our consideration of the School District's internal control over financial reporting and on our tests of its, compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey
March 7, 2022

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited)

As management of the Plumsted Township School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

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

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

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

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

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

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

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

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

Notes to the Basic Financial Statements

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

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2021 compared to fiscal year 2020.

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

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

Table 1
Summary of Net Position

	June 30, <u>2021</u>	June 30, <u>2020</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 2,943,328	\$ 1,582,080	\$ 1,361,248	86.0%
Capital Assets, Net	25,189,852	26,914,034	(1,724,182)	-6.4%
Total Assets	<u>28,133,180</u>	<u>28,496,114</u>	<u>(362,934)</u>	-1.3%
Deferred Outflow of Pension	1,098,556	1,551,178	(452,622)	-29.2%
Deferred Outflow of Loss on Refur	75,290	-	75,290	
Deferred Outflow of Resources	<u>1,173,846</u>	<u>1,551,178</u>	<u>(377,332)</u>	
Current and other Liabilities	803,497	554,453	249,044	44.9%
Noncurrent Liabilities	<u>8,325,379</u>	<u>9,851,921</u>	<u>(1,526,542)</u>	-15.5%
Total Liabilities	<u>9,128,876</u>	<u>10,406,374</u>	<u>(1,277,498)</u>	-12.3%
Deferred Inflow of Resources	<u>2,262,610</u>	<u>1,875,499</u>	<u>387,111</u>	20.6%
Net Position:				
Net Investment in Capital Assets	21,654,852	22,674,744	(1,019,892)	-4.5%
Restricted	1,516,618	1,145,035	371,583	32.5%
Unrestricted (Deficit)	<u>(5,255,930)</u>	<u>(6,054,360)</u>	<u>798,430</u>	-13.2%
Total Net Position	<u>\$ 17,915,540</u>	<u>\$ 17,765,419</u>	<u>\$ 150,121</u>	0.8%

Table 2 shows the changes in net position for fiscal year 2021 compared to fiscal year 2020.

Table 2
Summary of Changes in Net Position

	June 30, <u>2021</u>	June 30, <u>2020</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 138,116	\$ 539,002	\$ (400,886)	-74.4%
Operating Grants & Contributions	10,029,639	7,527,804	2,501,835	33.2%
General Revenues:				
Property Taxes	12,757,155	12,514,212	242,943	1.9%
Federal & State Aid	15,849,263	12,033,349	3,815,914	31.7%
Other General Revenues	<u>186,155</u>	<u>129,694</u>	<u>56,461</u>	43.5%
Total Revenues	<u>38,960,328</u>	<u>32,744,061</u>	<u>6,216,267</u>	19.0%

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

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

Function/Program Expenditures :

Regular Instruction	5,955,461	6,487,982	(532,521)	-8.2%
Special Education Instruction	3,431,259	3,426,566	4,693	0.1%
Other Instruction	1,304,261	742,502	561,759	75.7%
Tuition	534,467	832,917	(298,450)	-35.8%
Student & Instruction Related Services	2,208,522	3,568,419	(1,359,897)	-38.1%
General Administrative	426,738	464,490	(37,752)	-8.1%
School Administrative Services	1,096,105	1,021,775	74,330	7.3%
Central Services	440,634	380,036	60,598	15.9%
Plant Operations & Maintenance	2,036,288	2,165,617	(129,329)	-6.0%
Pupil Transportation	1,156,380	1,325,966	(169,586)	-12.8%
Unallocated Benefits	18,017,385	10,961,300	7,056,085	64.4%
Interest & Other Charges	(12,643)	195,893	(208,536)	-106.5%
Unallocated Depreciation	1,876,442	1,472,821	403,621	27.4%
Food Service	313,793	318,970	(5,177)	-1.6%
Community Education	5,361	34,690	(29,329)	-84.5%
N.E.E.D.	148,085	159,446	(11,361)	-7.1%
Warrior Day Camp	-	86,852	(86,852)	-100.0%
Total Expenditures	<u>38,938,538</u>	<u>33,646,242</u>	<u>5,292,296</u>	15.7%
Change In Net Position	21,790	(902,181)	923,971	-102.4%
Net Position - Beginning (Restated)	<u>17,893,750</u>	<u>18,667,600</u>	<u>(773,850)</u>	-4.1%
Net Position - Ending	<u>\$ 17,915,540</u>	<u>\$ 17,765,419</u>	<u>\$ 150,121</u>	0.8%

*Net Position was restated for July 1, 2021 due to GASB 84

Governmental Activities

During the fiscal year 2021, the net position of governmental activities increased by \$105,629 or 0.59%.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$17,944,244, with an unrestricted deficit balance of \$4,811,321. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last 2 state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Business-type Activities

During the fiscal year 2021, the net position of business-type activities decreased by \$83,839. There was a deficit in fund balance of \$28,704.

General Fund Budgeting Highlights

Final budgeted revenues were \$23,025,235, which was equal to the original budget. Excluding nonbudgeted revenues, the School District's actual revenues were less than budgeted revenues by \$65,462.

Final budgeted appropriations were \$28,825,642, which was an increase \$25,407 from the original budget. This increase is due to prior year encumbrances. Excluding nonbudgeted revenues, the School District's budget appropriations exceeded actual expenditures by \$1,763,346.

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$3,245,868 at June 30, 2021, an increase of \$897,477 from the prior year.

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$2,502,623, an increase of \$1,055,793 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund increase by \$1,022,913.

Special revenue fund – During the current fiscal year, the fund balance of the School District's special revenue fund increase by \$2,423

Debt service fund - During the current fiscal year, the fund balance of the School District's debt service fund increase by \$30,457.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund increased by \$9,351.

N.E.E.D. fund - During the current fiscal year, the net position of the School District's N.E.E.D. fund decreased by \$92,519.

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Proprietary Funds (continued)

Warrior Day Camp fund – There was no change in the Warrior Day Camp fund.

Community Education fund - During the current fiscal year, the net position of the School District's Community Education fund decreased by \$671.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2021, totaled \$25,189,852 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of \$1,879,491. This decrease is primarily due to depreciation expense during the year. Table 3 shows fiscal 2021 balances compared to 2020.

Table 3
Summary of Capital Assets

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2021</u>	June 30, <u>2020</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 1,571,070	\$ 1,571,070	\$ -	0.0%
Building and Improvements	23,043,778	24,445,184	(1,401,406)	-5.7%
Equipment	575,004	897,780	(322,776)	-36.0%
	<u>\$ 25,189,852</u>	<u>\$ 26,914,034</u>	<u>\$ (1,724,182)</u>	-6.4%
 Depreciation Expense	 <u>\$ 1,879,491</u>	 <u>\$ 1,475,869</u>		

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$3,310,000.

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Factors on the School District's Future

The District loss of state aid as a result of the enactment of the S2 legislation on July 24, 2018 continues to have a negative impact.

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

The operating budget for the 2021-2022 school year decreased by \$1,723,358 from \$23,825,642 to \$22,102,284. Fund balance appropriated increased from \$550,000 to \$775,000.

Long-term debt decreased by \$1,526,541.83 from 2019-2020 to 2020-2021 school year due resulting from annual principal payments and refunding of the 2010 issuance (refunding of original 2002 issuance).

Contacting the School Districts Financial Management

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

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
ASSETS			
Cash and Cash Equivalents	\$ 599,584	\$ 89,450	\$ 689,034
Restricted Cash and Cash Equivalents	1,140,742	-	1,140,742
Receivables, Net (Note 4)	1,055,948	42,650	1,098,598
Inventory	-	14,954	14,954
Capital Assets, Net (Note 5)			
Non-Depreciable	1,571,070	-	1,571,070
Depreciable	23,617,541	1,241	23,618,782
Total Assets	27,984,885	148,295	28,133,180
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions (Note 8)	1,098,556	-	1,098,556
Related to Loss on Debt Refunding	75,290	-	75,290
Total Deferred Outflow of Resources	1,173,846	-	1,173,846
Total Assets and Deferred Outflows of Resources	29,158,731	148,295	29,307,026
LIABILITIES			
Cash Deficit	-	98,767	98,767
Accounts Payable	184,249	1,271	185,520
Due to Other Governments	265,792	-	265,792
Payroll Deductions and Withholdings	31,138	-	31,138
Unemployment Trust Fund Liability	18,244	-	18,244
Unearned Revenue	60,020	76,961	136,981
Accrued Interest	67,055	-	67,055
Noncurrent Liabilities (Note 7)			
Due Within One Year	553,890	-	553,890
Due Beyond One Year	7,771,489	-	7,771,489
Total Liabilities	8,951,877	176,999	9,128,876
DEFERRED INFLOW OF RESOURCES			
Related to Pensions (Note 8)	2,262,610	-	2,262,610
Total Deferred Inflow of Resources	2,262,610	-	2,262,610
Total Liabilities and Deferred Inflows of Resources	11,214,487	176,999	11,391,486
NET POSITION			
Net Investment In Capital Assets	21,653,611	1,241	21,654,852
Restricted for:			
Capital Projects	13,304	-	13,304
Debt Service	30,459	-	30,459
Scholarships Fund Reserve	1,657	-	1,657
Students Activities Reserve	122,864	-	122,864
Unemployment Reserve	31,233	-	31,233
Impact Aid Reserve	902,437	-	902,437
Excess Surplus	414,664	-	414,664
Unrestricted (Deficit)	(5,225,985)	(29,945)	(5,255,930)
Total Net Position	\$ 17,944,244	\$ (28,704)	\$ 17,915,540

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 5,955,461	\$ -	-	\$ (5,955,461)	\$ -	\$ (5,955,461)
Special Schools Instruction	3,431,259	-	611,922	(2,819,337)	-	(2,819,337)
Other Special Instruction	698,298	-	-	(698,298)	-	(698,298)
Other Instruction	605,963	-	-	(605,963)	-	(605,963)
Support Services and Undistributed Costs:						
Instruction	534,467	77,860	-	(456,607)	-	(456,607)
Attendance and Social Work Services	30,016	-	-	(30,016)	-	(30,016)
Health Services	234,739	-	-	(234,739)	-	(234,739)
Other Support Services	1,812,256	-	188,360	(1,623,896)	-	(1,623,896)
Educational Media Services	97,240	-	-	(97,240)	-	(97,240)
Instructional Staff Training	34,271	-	-	(34,271)	-	(34,271)
General Administrative Services	426,738	-	-	(426,738)	-	(426,738)
School Administrative Services	1,096,105	-	-	(1,096,105)	-	(1,096,105)
Central Services	357,102	-	-	(357,102)	-	(357,102)
Technology	83,532	-	-	(83,532)	-	(83,532)
Allowed Maintenance for School Facilities	340,074	-	-	(340,074)	-	(340,074)
Other Operation & Maintenance of Plant	1,696,214	-	8,908,764	7,212,550	-	7,212,550
Student Transportation Services	1,156,380	-	-	(1,156,380)	-	(1,156,380)
Unallocated Employee Benefits	18,017,385	-	-	(18,017,385)	-	(18,017,385)
Interest on Long-Term Debt and Other Charges	(12,643)	-	-	12,643	-	12,643
Unallocated Depreciation and Amortization	1,876,442	-	-	(1,876,442)	-	(1,876,442)
Total Government Activities	38,471,299	77,860	9,709,046	(28,684,393)	-	(28,684,393)

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Business-Type Activities:						
Food Service	313,793	-	320,593	-	6,800	6,800
Community Education	5,361	4,690	-	-	(671)	(671)
N.E.E.D.	148,085	55,566	-	-	(92,519)	(92,519)
Total Business-Type Activities	467,239	60,256	320,593	-	(86,390)	(86,390)
Total Primary Government	\$ 38,938,538	\$ 138,116	\$ 10,029,639	(28,684,393)	(86,390)	(28,770,783)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				12,206,423	-	12,206,423
Property Taxes, Levied for Debt Service				550,732	-	550,732
Federal & State Aid Not Restricted				15,849,263	-	15,849,263
Proceeds from Bond Refunding				7,757	-	7,757
Miscellaneous Income				175,847	2,551	178,398
Total General Revenues, Special Items, Extraordinary Items & Transfers				28,790,022	2,551	28,792,573
Change in Net Position				105,629	(83,839)	21,790
Net Position - Beginning (As Restated, Note 21)				17,838,615	55,135	17,893,750
Net Position - Ending				\$ 17,944,244	\$ (28,704)	\$ 17,915,540

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

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B. Fund Financial Statements

Governmental Funds

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021**

	GENERAL	SPECIAL REVENUE	DEBT SERVICE FUND	TOTALS
ASSETS				
Cash and Cash Equivalents	\$ 874,614	\$ 156,968	\$ -	\$ 1,031,582
Receivables, Net:				
Receivables From Other Governments:				
State	303,385	-	-	303,385
Federal	-	29,934	-	29,934
Other Receivables	260,172	-	462,457	722,629
Restricted Cash and Cash Equivalents	1,140,742	-	-	1,140,742
Total Assets	<u>\$ 2,578,913</u>	<u>\$ 186,902</u>	<u>\$ 462,457</u>	<u>\$ 3,228,272</u>
LIABILITIES & FUND BALANCES				
Liabilities:				
Cash Deficit	\$ -	\$ -	\$ 431,998	\$ 431,998
Accounts Payable	174,247	10,002	-	184,249
Payroll Deductions and Withholdings	31,138	-	-	31,138
Unemployment Trust Fund Liability	18,244	-	-	18,244
Unearned Revenue	7,641	52,379	-	60,020
Total Liabilities	<u>231,270</u>	<u>62,381</u>	<u>431,998</u>	<u>725,649</u>
Fund Balances:				
Restricted:				
Capital Reserve	13,304	-	-	13,304
Debt Service	-	-	30,459	30,459
Scholarships Fund Reserve	-	1,657	-	1,657
Students Activities Reserve	-	122,864	-	122,864
Unemployment Reserve	31,233	-	-	31,233
Excess Surplus	414,664	-	-	414,664
Reserve for Impact Aid	902,437	-	-	902,437
Assigned:				
Designated for Subsequent Year's Expenditures	775,000	-	-	775,000
Other Purposes - Year-End Encumbrances	127,093	-	-	127,093
Unassigned	83,912	-	-	83,912
Total Fund Balances	<u>2,347,643</u>	<u>124,521</u>	<u>30,459</u>	<u>2,502,623</u>
Total Liabilities and Fund Balances	<u>\$ 2,578,913</u>	<u>\$ 186,902</u>	<u>\$ 462,457</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$56,566,412 and the accumulated depreciation is \$29,656,668 (Note 5).	25,188,611
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding's are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred outflow related to pensions	1,098,556
Deferred inflow related to pensions	(2,262,610)
Deferred Outflow related to Loss on Bond Refunding of Debt	75,290
Accrued interest on long-term liabilities is not due and payable in the current period and therefore is not reported as a liability in the funds.	(67,055)
Accrued pension contributions for the June 30, 2021 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(265,792)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(8,325,379)</u>
Net Position of Governmental Activities	<u>\$ 17,944,244</u>

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 12,206,423	\$ -	\$ 550,732	\$ 12,757,155
Tuition	77,860	-	-	77,860
Miscellaneous	87,348	88,499	-	175,847
Total Revenues - Local Sources	12,371,631	88,499	550,732	13,010,862
State Sources	14,940,653	-	-	14,940,653
Federal Sources	994,686	729,570	-	1,724,256
Total Revenues	28,306,970	818,069	550,732	29,675,771
Expenditures:				
Current:				
Regular Instruction	6,026,630	-	-	6,026,630
Special Education Instruction	2,860,372	611,922	-	3,472,294
Other Special Instruction	706,633	-	-	706,633
Other Instruction	644,919	-	-	644,919
Support Services and Undistributed Costs:				
Instruction	534,595	-	-	534,595
Attendance and Social Work Services	30,016	-	-	30,016
Health Services	234,739	-	-	234,739
Other Support Services	1,623,896	188,360	-	1,812,256
Educational Media Services	97,240	-	-	97,240
Instructional Staff Training	34,271	-	-	34,271
General Administrative Services	426,738	-	-	426,738
School Administrative Services	1,096,105	-	-	1,096,105
Central Services	357,102	-	-	357,102
Technology	83,532	-	-	83,532
Allowed Maintenance for School Facilities	340,074	-	-	340,074
Other Operation & Maintenance of Plant	1,813,732	-	-	1,813,732
Student Transportation Services	1,156,380	-	-	1,156,380
Unallocated Employee Benefits	3,902,224	-	-	3,902,224
On-Behalf TPAF Pension & FICA Contributions	5,221,761	-	-	5,221,761
Debt Service:				
Principal	-	-	440,000	440,000
Interest and Other Charges	70,671	-	88,032	158,703
Capital Outlay	22,427	15,364	-	37,791
Total Expenditures	27,284,057	815,646	528,032	28,627,735
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1,022,913	2,423	22,700	1,048,036
Other Financing Sources/(Uses):				
Proceeds of Refunding Debt	-	-	7,757	7,757
Total Other Financing Sources/(Uses)	-	-	7,757	7,757
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1,022,913	2,423	30,457	1,055,793
Net Change in Fund Balances	1,022,913	2,423	30,457	1,055,793
Fund Balance, July 1 (As Restated, Note 21)	1,324,730	122,098	2	1,446,830
Fund Balance - June 30	\$ 2,347,643	\$ 124,521	\$ 30,459	\$ 2,502,623

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ 1,055,793
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
	Depreciation Expense	(1,876,442.00)
	Capital Outlay	<u>155,309</u>
		(1,721,133)
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
		128,233
<p>Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		540,000
<p>Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.</p>		
	Proceeds of Long-Term Debt	(3,230,000)
	Bond Issuance Premium Received	<u>(307,233)</u>
		(3,537,233)
<p>Advance refunding of debt issues are a financing source in the governmental funds. They are not in the statement of activities; refunding of debt decreases long term liabilities in the statement of net position.</p>		
	Loss on Refunding	87,233
	Bonds Refunded	<u>3,390,000</u>
		3,477,233
<p>In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).</p>		
		2,026
<p>Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:</p>		
	Amortization of premium on bonds	141,263
	Amortization of loss on Bond Refunding	<u>(11,943)</u>
		129,320
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		<u>31,390</u>
Change in Net Position of Governmental Activities		<u>\$ 105,629</u>

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

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Proprietary Funds

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE	N.E.E.D	WARRIOR DAY CAMP	COMMUNITY EDUCATION	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ -	\$ -	\$ 45,508	\$ 43,942	\$ 89,450
Accounts Receivable:					
State	2,250	-	-	-	2,250
Federal	40,400	-	-	-	40,400
Inventories	14,954	-	-	-	14,954
Total - Current Assets	57,604	-	45,508	43,942	147,054
Noncurrent Assets					
Equipment	294,351	-	-	-	294,351
Accumulated Depreciation	(293,110)	-	-	-	(293,110)
Total - Noncurrent Assets	1,241	-	-	-	1,241
Total Assets	\$ 58,845	\$ -	\$ 45,508	\$ 43,942	\$ 148,295
LIABILITIES					
Current Liabilities:					
Cash Deficit	\$ 44,066	\$ 54,701	\$ -	\$ -	\$ 98,767
Accounts Payable	-	410	-	861	1,271
Unearned Revenue	19,900	-	44,411	12,650	76,961
Total Liabilities	63,966	55,111	44,411	13,511	176,999
NET POSITION					
Investment in capital assets	1,241	-	-	-	1,241
Unrestricted	(6,362)	(55,111)	1,097	30,431	(29,945)
Total Net Position	(5,121)	(55,111)	1,097	30,431	(28,704)
Total Liabilities and Net Position	\$ 58,845	\$ -	\$ 45,508	\$ 43,942	\$ 148,295

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

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE	N.E.E.D	WARRIOR DAY CAMP	COMMUNITY EDUCATION	
Operating Revenues:					
Daily Sales - Non-Reimbursable Programs:					
Program Fees	\$ -	\$ 55,566	\$ -	\$ 4,690	\$ 60,256
Miscellaneous Income	2,551	-	-	-	2,551
Total Operating Revenues	2,551	55,566	-	4,690	62,807
Operating Expenses:					
Salaries	101,672	121,012	-	4,980	227,664
Support Services - Employee Benefits	41,376	16,317	-	-	57,693
FICA	-	9,257	-	381	9,638
Management Fee	23,328	-	-	-	23,328
Supplies and Materials	18,980	1,499	-	-	20,479
Cost of Sales-reimbursable programs	123,663	-	-	-	123,663
Depreciation	3,049	-	-	-	3,049
Miscellaneous Expenditures	1,725	-	-	-	1,725
Total Operating Expenses	313,793	148,085	-	5,361	467,239
Operating Income/(Loss)	(311,242)	(92,519)	-	(671)	(404,432)
Nonoperating Revenues/(Expenses):					
State Sources:					
State School Lunch Program	9,584	-	-	-	9,584
Federal Sources:					
National School Lunch Program	174,103	-	-	-	174,103
National School Breakfast Program	91,890	-	-	-	91,890
Emergency Operational Costs	11,853	-	-	-	11,853
EBT Administrative Cost	614	-	-	-	614
Food Distribution Program	32,549	-	-	-	32,549
Total Nonoperating Revenues/(Expenses)	320,593	-	-	-	320,593
Change In Net Position	9,351	(92,519)	-	(671)	(83,839)
Total Net Position - July 1	(14,472)	37,408	1,097	31,102	55,135
Total Net Position - June 30	\$ (5,121)	\$ (55,111)	\$ 1,097	\$ 30,431	\$ (28,704)

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
JUNE 30, 2021**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE	N.E.E.D	WARRIOR DAY CAMP	COMMUNITY EDUCATION	
Cash Flows From Operating Activities:					
Receipts From Customers	\$ 1,259	\$ 55,566	\$ 44,411	\$ 17,340	\$ 118,576
Payments To Employees	(101,672)	(130,269)	-	(5,361)	(237,302)
Payments To Employee Benefits	(41,376)	(16,317)	-	-	(57,693)
Payments To Suppliers	(127,434)	(1,089)	-	861	(127,662)
Net Cash Provided By/(Used For) Operating Activities	(269,223)	(92,109)	44,411	12,840	(304,081)
Cash Flows From Noncapital Financing Activities:					
State Sources	8,467	-	-	-	8,467
Federal Sources	256,844	-	-	-	256,844
Net Cash Provided By Noncapital Financing Activities	265,311	-	-	-	265,311
Net (Decrease)/Increase in Cash and Cash Equivalents	(3,912)	(92,109)	44,411	12,840	(38,770)
Balance - Beginning of Year	(40,154)	37,408	1,097	31,102	29,453
Balance - End of Year	\$ (44,066)	\$ (54,701)	\$ 45,508	\$ 43,942	\$ (9,317)
Reconciliation of Operating Income/(Loss) To Cash Flows from Operating Activities:					
Operating Income/(Loss)	\$ (311,242)	\$ (92,519)	\$ -	\$ (671)	\$ (404,432)
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:					
Depreciation	3,049	-	-	-	3,049
Food Distribution Program	32,549	-	-	-	32,549
(Increase)/Decrease in Accounts Receivable	451	-	-	-	451
(Increase)/Decrease in Inventory	7,713	-	-	-	7,713
Increase/(Decrease) in Unearned Revenue	(1,743)	-	44,411	12,650	55,318
Increase/(Decrease) in Accounts Payable	-	410	-	861	-
Total Adjustments	42,019	410	44,411	13,511	99,080
Net Cash Flows From Operating Activities	\$ (269,223)	\$ (92,109)	\$ 44,411	\$ 12,840	\$ (305,352)

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

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Fiduciary Fund

Not Applicable

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PLUMSTED TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

Note 1. Summary of Significant Accounting Policies

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

Reporting Entity

The School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the Board). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members' terms expire each year. The purpose of the District is to educate students in grades kindergarten through twelfth. The District has an approximate enrollment at June 30, 2021 of 1,104 students.

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

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

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

Component Units

GASB Statement No 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, *as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, *GASB Statement No. 80, Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84*. The School District had no component units as of for the year ended June 30, 2021.

Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

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

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

Governmental Fund Financial Statements

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

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

Proprietary Fund Financial Statements

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government-wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the School District's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

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

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

The School District reports the following major governmental funds:

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

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

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

Special Revenue Fund – The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

The School District reports the following major proprietary funds:

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

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

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

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

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

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

Budgets/Budgetary Control

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

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

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

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

Encumbrances

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

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

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

Cash and Cash Equivalents

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

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2021 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

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

Interfund Receivables/Payables

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

Capital Assets

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

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

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

Compensated Absences

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

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- **Non-spendable** – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2021.
- **Assigned** – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- **Unassigned** – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

Net Position (continued)

- **Restricted** – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Unrestricted** – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2021:

For the year June 30, 2021 the School District implemented GASB Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. The implementation of this statement resulted in a prior period restatement (see note 19 for additional information).

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the School Districts' financial statements.

GASB Statement No. 88, *Certain Disclosures Related to Debt*, including Direct Borrowings and Direct Placements. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the School Districts' financial statements.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to section 1, paragraph 4 are effective immediately. All other requirements will be effective for reporting periods beginning June 15, 2021. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the School Districts' financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

GASB Statement No. 87, *Leases*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

Impact of Recently Issued Accounting Principles (continued)

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. *Accounting Pronouncements Effective in Future Reporting Periods (continued)*

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021.

Bond Premiums, Discounts and Issuance Costs

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

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

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, *NJSA 17:9-41 et seq.* requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by Federal Deposit Insurance Company (FDIC). Public funds owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below. As of June 30, 2021, the School District’s bank balance of \$2,441,310 was exposed to custodial credit risk as follows:

Insured under FDIC and GUPDA	\$ 2,178,313
Uninsured and Uncollateralized	<u>262,997</u>
Total	<u>\$ 2,441,310</u>

Investments

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

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by inclusion of \$173,833 in June 2012 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Balance, July 1, 2020	\$ <u>13,304</u>
Balance, June 30, 2021	<u>\$ 13,304</u>

The June 30, 2021 balance did not exceed the LRFP balance of local support costs of uncompleted capital projects.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 3. Reserve Accounts (continued)

Federal Impact Aid Reserve

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

The activity of the federal impact aid reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Balance, July 1, 2020	\$ 1,127,437
Decreased by:	
Budgeted Withdrawal	225,000
Balance, June 30, 2021	\$ 902,437

Unemployment Reserve

Unemployment reserve funds are restricted pursuant to *N.J.S.A. 43:21-7.3(g)*, which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentally for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

The activity of the unemployment reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Balance, July 1, 2020, Restated	\$ 6,233
Increased by:	
Board Contribution	25,000
Balance, June 30, 2021	\$ 31,233

Note 4. Accounts Receivable

Accounts receivable at June 30, 2021 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 4. Accounts Receivable (continued)

Description:	Governmental Funds			Total Governmental Activities	Proprietary Funds	
	General Fund	Special Revenue Fund	Debt Service Fund		Food Service Fund	Total Business-Type Activities
Federal Awards	\$ -	\$ 29,934	\$ -	\$ 29,934	\$ 40,400	\$ 40,400
State Awards	303,385	-	-	303,385	2,250	2,250
Other	260,172	-	462,457	722,629	-	-
Total	\$ 563,557	\$ 29,934	\$ 462,457	\$ 1,055,948	\$ 42,650	\$ 42,650

Note 5. Capital Assets

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

	Balance July 1, 2020	Additions	Retirements and Transfers	Balance June 30, 2021
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 1,571,070	\$ -	\$ -	\$ 1,571,070
Total Capital Assets not Being Depreciated	1,571,070	-	-	1,571,070
Capital Assets Being Depreciated:				
Buildings and Improvements	50,829,434	-	-	50,829,434
Equipment	4,165,908	155,309	-	4,321,217
Total Capital Assets being depreciated	54,995,342	155,309	-	55,150,651
Less: Accumulated Depreciation:				
Buildings and Improvements and Equipment	(29,656,668)	(1,876,442)	-	(31,533,110)
Total Accumulated Depreciation	(29,656,668)	(1,876,442)	-	(31,533,110)
Total Capital Assets Being Depreciated, Net	25,338,674	(1,721,133)	-	23,617,541
Total Governmental Activities Capital Assets, net	\$ 26,909,744	\$ (1,721,133)	\$ -	\$ 25,188,611

	Balance July 1, 2020	Additions	Retirements and Transfers	Balance June 30, 2021
Business-Type Activities:				
Capital Assets Being Depreciated:				
Machinery & Equipment	\$ 294,351	\$ -	\$ -	\$ 294,351
Total Capital Assets not Being Depreciated	294,351	-	-	294,351
Less: Accumulated Depreciation:				
Machinery & Equipment	(290,061)	(3,049)	-	(293,110)
Total Accumulated Depreciation	(290,061)	(3,049)	-	(293,110)
Total Business-Type Activities Capital Assets, net	\$ 4,290	\$ (3,049)	\$ -	\$ 1,241

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 6. Interfund Receivables, Payables and Transfers

There were no individual fund receivables/payables balances at June 30, 2021

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2021 the following changes occurred in long-term obligations:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Balance Due Within One Year
Governmental Activities:					
Capital Leases	\$ 425,000	\$ -	\$ 100,000	\$ 325,000	\$ 105,000
Compensated Absences	467,386	-	31,391	435,995	-
General Obligation Bonds	3,810,000	3,230,000	3,830,000	3,210,000	405,000
Unamortized Bond Premiums	99,202	307,233	141,263	265,172	43,890
Net Pension Liability	5,050,334	-	961,121	4,089,213	-
Total	\$ 9,851,922	\$ 3,537,233	\$ 5,063,775	\$ 8,325,380	\$ 553,890

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

Bonds Payable

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

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 405,000	\$ 120,300	\$ 525,300
2023	430,000	103,600	533,600
2024	440,000	86,200	526,200
2025	455,000	68,300	523,300
2026	475,000	49,700	524,700
2027-2028	1,005,000	40,500	1,045,500
Total	\$ 3,210,000	\$ 468,600	\$ 3,678,600

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 7. Long-Term Obligations (continued)

Capital Leases Payable

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

Fiscal Year Ending June 30,		
2022	\$	113,175
2022		114,950
2023		<u>111,650</u>
Total Minimum Lease Payments		339,775
Less: Amount Representing Interest		<u>(14,775)</u>
Present Value of Minimum Lease Payments		<u>\$ 325,000</u>

Bonds Authorized but Not Issued

As of June 30, 2021, the School District had no authorized but not issued bonds.

Note 8. Pension Plans

Public Employees' Retirement System

Plan Description – The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR), which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>. The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Public Employees' Retirement System (continued)

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

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

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources – At June 30, 2021, the School District reported a liability of \$4,089,213 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2019, to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The School District's proportion measured as of June 30, 2020, was 0.0250758362%, which was a decrease of 0.0029527930 % from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the School District recognized full accrual pension expense of \$146,087 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2020 measurement date. At June 30, 2021 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Public Employees' Retirement System (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 74,458	\$ 14,461
Changes of Assumptions	132,659	1,712,192
Net Difference between Projected and Actual Earnings on Pension Plan Investments	139,773	535,957
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	675,738	-
School District contributions subsequent to measurement date	265,792	-
	\$ 1,288,420	\$ 2,262,610

\$265,792 reported as deferred outflows of resources resulting from the School District's contributions subsequent to the measurement date is estimated based on unadjusted 2020-2021 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2021 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2022	\$ (98,479)
2023	(172,604)
2024	(62,837)
2025	(620)
2026	(23,380)
Total	\$ (357,920)

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Public Employees' Retirement System (continued)

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Public Employees' Retirement System (continued)

Actuarial Assumptions – The collective 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 assumptions:

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return:	7.00%
Mortality Rate Table:	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based:	July 1, 2014 - June 30, 2018

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-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, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) 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.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Public Employees' Retirement System (continued)

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:

Asset Class:	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Credit	13.00%	11.42%
Real 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%
	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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. 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. 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 School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – The following presents the School District's proportionate share of the net pension liability as of June 30, 2020, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	<u>\$ 5,188,115</u>	<u>\$ 4,089,213</u>	<u>\$ 3,216,204</u>

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Public Employees' Retirement System (continued)

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	<u>6/30/2021</u>	<u>6/30/2020</u>
Collective Deferred Outflows of Resources	\$ 2,347,583,337	\$ 3,149,522,616
Collective Deferred Inflows of Resources	7,849,949,467	7,645,087,574
Collective Net Pension Liability	16,435,616,426	18,143,832,135
School District's portion	0.02508%	0.02803%

Teachers' Pension and Annuity Fund

Plan Description – Teacher Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the Division. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

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

The following represents the membership tiers for TPAF:

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

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

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Teachers' Pension and Annuity Fund (continued)

Contributions – The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense – The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2020 was \$76,481,515. The School District's proportionate share was \$0.

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 State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1161471724%, which was an increase of 0.00125058966% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State recognized a pension expense in the amount of \$4,755,946 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2020 measurement date.

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:

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55% - 4.45% Based on Years of Service
Thereafter	2.75% - 5.65% Based on Years of Service
Investment Rate of Return:	7.00%

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Teachers' Pension and Annuity Fund (continued)

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 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 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.

Long-Term Expected Rate of Return – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) 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:

Asset Class:	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real 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%
	<u>100.00%</u>	

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Teachers' Pension and Annuity Fund (continued)

Discount Rate – The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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 School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.40% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
States Proportionate Share of Net Pension Liability Associated with the School District	\$ 89,836,497	\$ 76,481,515	\$ 65,392,444

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

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

	6/30/2021	6/30/2020
Collective Deferred Outflows of Resources	\$ 9,626,548,228	\$ 10,129,162,237
Collective Deferred Inflows of Resources	14,591,988,841	17,736,240,054
Collective Net Pension Liability	65,993,498,688	61,519,112,443
School District's portion	0.11615%	0.11464%

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 8. Pension Plans (continued)

Defined Contribution Plan

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

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

Note 9. Post-Retirement Benefits

General Information about the Other Post-Employment Benefits Plan

The State reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits (OPEB) for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 9. Post-Retirement Benefits (continued)

The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

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

Total Nonemployer OPEB Liability – The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25%
	based on years of service	based on years of service	based on years of service
Thereafter	1.55 - 4.45%	3.00 - 7.00%	Applied to
	based on years of service	based on years of service	all future years

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 9. Post-Retirement Benefits (continued)

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

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, PFRS and PERS, respectively.

OPEB Obligation and OPEB Expense – The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$40,928,855. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2020, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the OPEB Obligation attributable to the School District was 0.10022878%, which was an increase 0.00214645% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized an OPEB expense in the amount of \$4,137,454 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2020 measurement date.

Healthcare 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 is 5.0%.

Discount Rate - The discount rate for June 30, 2020 was 2.21%, 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 the municipal bond rate.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate – The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 9. Post-Retirement Benefits (continued)

	June 30, 2020		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 81,935,434.93	\$ 67,965,099.00	\$ 57,041,641.79
State of New Jersey's Total Nonemployer OPEB Liability	\$ 81,748,410,002	\$ 67,809,962,608	\$ 56,911,439,160

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

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

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate*	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 54,863,719.87	\$ 67,965,099.00	\$ 83,565,929.65
State of New Jersey's Total Nonemployer OPEB Liability	\$ 54,738,488,540	\$ 67,809,962,608	\$ 83,375,182,975

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information – Collective balances of the Local Group at June 30, 2020 are as follows:

Differences between Expected & Actual Experience	\$ 10,295,318,750	\$ (9,170,703,615)
Changes in Assumption	11,534,251,250	(7,737,500,827)
Contributions Made in Fiscal Year Year Ending 2021 After June 30, 2020 Measurement Date **	TBD	N/A
	<u>\$ 21,829,570,000</u>	<u>\$ (16,908,204,442)</u>

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 9. Post-Retirement Benefits (continued)

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

Fiscal Year Ending June 30,		
2021	\$	43,440,417
2022		43,440,417
2023		43,440,417
2024		43,440,417
2025		43,440,417
Thereafter		4,704,163,473
		<u>4,921,365,558</u>
	\$	<u>4,921,365,558</u>

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

Plan Membership – At June 30, 2019, the Program membership consisted of the following:

	<u>June 30, 2019</u>
Active Plan Members	216,804
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	<u>149,304</u>
Total Plan Members	<u>366,108</u>

Changes in the Total OPEB Liability – The change in the State's Total OPEB liability for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

Service Cost	\$	1,790,973,822
Interest Cost		1,503,341,357
Differences Between Expected and Actual Exp		11,544,750,637
Changes in Assumptions		12,386,549,981
Contributions: Member		35,781,384
Gross Benefit Payments		<u>(1,180,515,618)</u>
Net Changes in Total OPEB Liability		26,080,881,563
Total OPEB Liability (Beginning)		<u>41,729,081,045</u>
Total OPEB Liability (Ending)	\$	<u>67,809,962,608</u>
Total Covered Employee Payroll	\$	14,267,738,657
Net OPEB Liability as a Percentage of Payroll		475%

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

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

As previously mentioned, the School District receives on-behalf payments from the State for normal costs and post-retirement medical costs related to the TPAF pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2021, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$3,370,891, \$792,999, \$1,056,385 and \$1,486, respectively.

Note 11. Risk Management

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

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

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

Fiscal Year Ended June 30,	Contributions	Interest Earnings	Amount Reimbursed	Ending Balance	
				Unemployment Liability	Restricted For: Unemployment Reserve
2021	\$ 86,442	\$ -	\$ 43,198	\$ 18,244	\$ 31,233
2020	102,832	-	117,822	-	6,233
2019	77,423	-	64,128	-	21,223

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

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

Note 12. Contingencies

State and Federal Grantor Agencies – The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 12. Contingencies (continued)

In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

Note 13. Economic Dependency

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

Note 14. Deferred Compensation

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

Lincoln Investment
Equitable
Metropolitan Life

Note 15. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2021 is \$435,995.

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 no liability existed for compensated absences in the proprietary fund types.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 16. Tax Abatements

As defined by the GASB Statement No. 77, *Tax Abatements*. A tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the School District's local tax revenue because *N.J.S.A. 54:4-75* and *N.J.S.A. 54:4-76* require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the School District.

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

Note 17. Commitments

The School District has contractual commitments at June 30, 2021 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$127,093.

Note 18. Calculation of Excess Surplus

Designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to *N.J.S.A.18A:7F-7*. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 was \$414,664.

Note 19. Fund Balance

General Fund – Of the \$2,347,643 General Fund fund balance at June 30, 2021, \$13,304 has been restricted in the Capital Reserve Account; \$31,233 has been restricted for Unemployment; \$414,664 is Restricted for Excess Surplus; \$902,437 has been restricted for the Federal Impact Aid Reserve; \$127,093 has been assigned to other purposes; \$775,000 has been assigned and included as anticipated revenue for the year ending June 30, 2021 and \$83,912 has been unassigned.

Special Revenue Fund – Of the \$124,521 Special Revenue Fund fund balance at June 30, 2021, \$1,657 is Reserve for Scholarships and \$122,864 is restricted for Student Activities.

Debt Service Fund – Of the \$30,459 Debt Service Fund fund balance at June 30, 2021, \$30,459 is restricted for future debt service payments.

**PLUMSTED TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Note 20. Deficit in Net Position

Unrestricted Net Position – The School District’s governmental activities had a deficit in unrestricted net position in the amount of \$5,225,985. The primary causes of the deficit are the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees’ Retirement System (PERS) as of June 30, 2021. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 21. Prior Period Adjustment/Restatement of Governmental Activities Net Position and Governmental Funds Fund Balance

Net Position as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*:

Net Position as Previously Reported, June 30, 2020	\$	17,710,284
Prior Period Adjustment:		
Implementation of GASB Statement No. 84:		
Scholarship Fund		1,656
Student Activities		120,442
Unemployment Reserve		<u>6,233</u>
Net Position as Restated, July 1, 2020	\$	<u>17,838,615</u>

Fund Balance in the General Fund and the Special Revenue Fund as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*:

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Net Position as Previously Reported, June 30, 2020	\$ 1,318,497	\$ -
Prior Period Adjustment:		
Implementation of GASB Statement No. 84:		
Scholarship Fund	-	1,656
Student Activities	-	120,442
Unemployment Reserve	<u>6,233</u>	<u>-</u>
Net Position as Restated, July 1, 2020	<u>\$ 1,324,730</u>	<u>\$ 122,098</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
REVENUES						
Local Sources:						
Local Tax Levy	10-1210	\$ 12,206,423	\$ -	\$ 12,206,423	\$ 12,206,423	\$ -
Tuition - From Individuals	10-1310	165,000	-	165,000	55,329	(109,671)
Other Tuition	10-1330	-	-	-	22,531	22,531
Unrestricted Miscellaneous Revenues	10-1XXX	100,001	-	100,001	87,348	(12,653)
Total Local Sources		12,471,424	-	12,471,424	12,371,631	(99,793)
State Sources:						
School Choice Aid	10-3116	241,803	-	241,803	241,803	-
Categorical Special Education Aid	10-3132	975,623	-	975,623	975,623	-
Equalization Aid	10-3176	8,067,783	-	8,067,783	8,067,783	-
Security Aid	10-3177	23,602	-	23,602	23,602	-
Extraordinary Aid	10-3131	185,000	-	185,000	277,685	92,685
Non-Public Transportation Aid	10-3235	-	-	-	6,960	6,960
TPAF Normal Contributions (On-Behalf - Non-Budgeted)		-	-	-	3,370,891	3,370,891
TPAF Post-Retirement Medical (On-Behalf - Non-Budgeted)		-	-	-	1,056,385	1,056,385
TPAF LTDI (On-Behalf - Non-Budgeted)		-	-	-	1,486	1,486
TPAF Social Security (Reimbursed - Non-Budgeted)		-	-	-	792,999	792,999
Total State Sources		9,493,811	-	9,493,811	14,815,217	5,321,406
Federal Sources:						
Impact Aid	10-4100	1,006,149	-	1,006,149	946,328	(59,821)
Medicaid Reimbursement	10-4200	53,851	-	53,851	44,227	(9,624)
Medicaid Reimbursement ARRA	10-4200	-	-	-	4,131	4,131
Total Federal Sources		1,060,000	-	1,060,000	994,686	(65,314)
Total Revenues		23,025,235	-	23,025,235	28,181,534	5,156,299
EXPENDITURES						
Current Expense:						
Regular Programs - Instruction:						
Kindergarten - Salaries of Teachers	11-110-100-101	288,790	(67,869)	220,921	216,426	4,495
Grades 1-5 - Salaries of Teachers	11-120-100-101	1,959,170	71,277	2,030,447	1,973,353	57,094
Grades 6-8 - Salaries of Teachers	11-130-100-101	1,192,928	26,705	1,219,633	1,186,622	33,011
Grades 9-12 - Salaries of Teachers	11-140-100-101	2,112,383	(7,789)	2,104,594	2,088,345	16,249
Regular Programs-Home Instruction:						
Salaries of Teachers	11-150-100-101	6,000	1,162	7,162	6,556	606
Purchased Professional Education Services	11-150-100-320	10,000	(1,161)	8,839	5,687	3,152
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	105,473	-	105,473	105,473	-
Purchased Professional - Educational Services	11-190-100-320	10,000	-	10,000	-	10,000
Other Purchased Services (Series 400-500)	11-190-100-500	479,183	(83,918)	395,265	257,478	137,787
General Supplies	11-190-100-610	243,809	(6,501)	237,308	186,690	50,618
Total Regular Programs - Instruction		6,407,736	(68,094)	6,339,642	6,026,630	313,012
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	565,675	(127,382)	438,293	395,718	42,575
Other Salaries for Instruction	11-212-100-106	293,847	(47,586)	246,261	246,261	-
Purchased Professional - Educational Services	11-212-100-320	5,400	(2,775)	2,625	-	2,625
General Supplies	11-212-100-610	4,000	121	4,121	3,457	664
Total Multiple Disabilities		868,922	(177,622)	691,300	645,436	45,864
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	1,804,914	84,432	1,889,346	1,858,247	31,099
General Supplies	11-213-100-610	15,050	11,189	26,239	22,974	3,265
Total Resource Room/Resource Center		1,819,964	95,621	1,915,585	1,881,221	34,364

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Preschool Disabilities-Part-Time:						
Salaries of Teachers	11-215-100-101	152,964	-	152,964	152,964	-
Other Salaries for Instruction	11-215-100-106	59,358	212	59,570	59,349	221
Purchased Professional - Educational Services	11-215-100-320	-	46,148	46,148	9,133	37,015
General Supplies	11-215-100-600	-	3,166	3,166	2,973	193
Total Preschool Disabilities-Part-Time		212,322	49,526	261,848	224,419	37,429
Preschool Disabilities-Full-Time:						
Salaries of Teachers	11-216-100-101	-	82,089	82,089	82,089	-
Other Salaries for Instruction	11-216-100-106	-	21,610	21,610	7,563	14,047
Purchased Professional - Educational Services	11-215-100-320	-	22,440	22,440	19,596	2,844
General Supplies	11-216-100-600	-	150	150	48	102
Total Preschool Disabilities-Full-Time		-	126,289	126,289	109,296	16,993
Total Special Education Instruction		2,901,208	93,814	2,995,022	2,860,372	134,650
Basic Skills/Remedial-Instruction:						
Salaries	11-230-100-101	598,230	(6,197)	592,033	591,425	608
General Supplies	11-230-100-610	1,000	-	1,000	751	249
Total Basic Skills/Remedial-Instruction		599,230	(6,197)	593,033	592,176	857
Bilingual Education-Instruction:						
Salaries of Teachers	11-240-100-101	72,242	42,999	115,241	114,457	784
General Supplies	11-240-100-610	50	-	50	-	50
Total Bilingual Education-Instruction		72,292	42,999	115,291	114,457	834
School-Spon. Co/Extra-curricular Activities-Instruction:						
Salaries	11-401-100-100	145,134	-	145,134	109,859	35,275
Supplies and Materials	11-401-100-600	6,000	(1,750)	4,250	83	4,167
Other Objects	11-401-100-800	10,550	-	10,550	925	9,625
Total School-Spon. Cocurricular Activities-Instruction		161,684	(1,750)	159,934	110,867	49,067
School-Spon. Athletics-Instruction:						
Salaries	11-402-100-100	539,557	(44,761)	494,796	439,260	55,536
Unused Vacation Payment to Terminated/Retired Staff	11-402-100-199	-	3,343	3,343	3,343	-
Purchased Services (300-500 Series)	11-402-100-500	74,300	(2,500)	71,800	37,945	33,855
Travel	11-402-100-580	-	2,500	2,500	299	2,201
Supplies and Materials	11-402-100-600	80,600	-	80,600	45,197	35,403
Other Objects	11-402-100-800	17,750	-	17,750	8,008	9,742
Total School-Spon. Athletics-Instruction		712,207	(41,418)	670,789	534,052	136,737
Total Other Special Instructional Programs-Instruction		1,545,413	(6,366)	1,539,047	1,351,552	187,495
Total Instruction		10,854,357	19,354	10,873,711	10,238,554	635,157
Undistributed Expenditures-Instruction:						
Tuition to County Voc. School Dist.-Regular	11-000-100-563	49,725	(4,208)	45,517	45,517	-
Tuition to County Spec. Serv. & Reg. Day Schools	11-000-100-565	393,519	(33,132)	360,387	308,623	51,764
Tuition to Private Schools for the Disabled W/ State	11-000-100-566	134,719	(6,056)	128,663	128,663	-
Tuition - State Facilities	11-000-100-568	51,792	882	52,674	51,792	882
Total Undistributed Expenditures-Instruction		629,755	(42,514)	587,241	534,595	52,646
Attendance and Social Work Services:						
Salaries	11-000-211-100	33,521	1,335	34,856	30,016	4,840
Total Attendance and Social Work Services		33,521	1,335	34,856	30,016	4,840

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Undist. Expend. -Health Services:						
Salaries	11-000-213-100	209,418	5,633	215,051	208,493	6,558
Purchased Professional and Technical Services	11-000-213-300	28,000	(700)	27,300	20,684	6,616
Supplies and Materials	11-000-213-600	4,975	1,450	6,425	5,562	863
Total Undistributed Expenditures -Health Services		242,393	6,383	248,776	234,739	14,037
Undist. Expend. - Speech, OT, PT & Related Services						
Salaries	11-000-216-100	299,321	-	299,321	293,936	5,385
Purchased Professional - Educational Services	11-000-216-320	89,000	(18,800)	70,200	55,674	14,526
Supplies and Materials	11-000-216-600	1,200	(384)	816	665	151
Total Undist. Expend. - Speech, OT, PT & Related Services		389,521	(19,184)	370,337	350,275	20,062
Undist. Expend. -Other Support Services-Students-Extra Srvc:						
Salaries	11-000-217-100	123,017	-	123,017	122,666	351
Purchased Professional - Educational Services	11-000-217-320	125,000	5,015	130,015	51,998	78,017
Supplies and Materials	11-000-217-600	-	938	938	813	125
Total Undist. Expend.-Other Support Services-Students-Extra Srvc		248,017	5,953	253,970	175,477	78,493
Undistributed Expenditures - Guidance						
Salaries of Other Professional Staff	11-000-218-104	628,745	(100,785)	527,960	519,393	8,567
Salaries of Secretarial and Clerical Assistants	11-000-218-105	42,769	-	42,769	42,767	2
Other Salaries	11-000-218-110	1,200	-	1,200	-	1,200
Other Purch. Prof. & Tech Svc.	11-000-218-390	16,500	7,316	23,816	23,816	-
Supplies and Materials	11-000-218-600	16,100	(5,456)	10,644	7,841	2,803
Total Undist. Expend. - Guidance		705,314	(98,925)	606,389	593,817	12,572
Undist. Expend. - Child Study Teams						
Salaries of Other Professional Staff	11-000-219-104	386,072	-	386,072	381,242	4,830
Salaries of Secretarial and Clerical Assistants	11-000-219-105	49,838	(12,784)	37,054	32,812	4,242
Other Purchased Prof. and Tech. Services	11-000-219-390	13,800	25,500	39,300	26,472	12,828
Other Purchased Services (400-500 series)	11-000-219-500	250	-	250	-	250
Supplies and Materials	11-000-219-600	2,900	750	3,650	2,345	1,305
Total Undist. Expend. - Child Study Teams		452,860	13,466	466,326	442,871	23,455
Undist. Expend.-Improvement of Instruction Services-						
Salaries of Supervisor of Instruction	11-000-221-102	70,522	(18,000)	52,522	20,285	32,237
Salaries of Other Professional Staff	11-000-221-104	13,500	-	13,500	10,951	2,549
Salaries of Secretarial and Clerical Assistants	11-000-221-105	11,938	2,500	14,438	14,021	417
Unused Vacation Payment to Terminated/Retired Staff	11-000-221-199	-	9,369	9,369	9,369	-
Purchased Prof - Educational Services	11-000-221-320	6,500	330	6,830	6,830	-
Supplies and Materials	11-000-221-600	1,000	(330)	670	-	670
Total Undist. Expend.-Improvement of Instruction Services		103,460	(6,131)	97,329	61,456	35,873
Undist. Expend.-Educational Media Services/School Library:						
Salaries	11-000-222-100	91,488	-	91,488	85,490	5,998
Supplies and Materials	11-000-222-600	11,600	343	11,943	11,750	193
Total Undist. Expend.-Educational Media Services/School Library		103,088	343	103,431	97,240	6,191
Undist. Expend.-Instruction Staff Training Services:						
Salaries of Supervisors of Instruction	11-000-223-102	70,522	(11,933)	58,589	20,250	38,339
Salaries of Secretarial and Clerical Assistants	11-000-223-105	11,938	2,500	14,438	14,021	417
Total Undist. Expend.-Instruction Staff Training Services		82,460	(9,433)	73,027	34,271	38,756
Undist. Expend.-Support Service-General Administration:						
Salaries	11-000-230-100	205,668	5,003	210,671	209,897	774
Unused Vacation Payment to Terminated/Retired Staff	11-000-230-199	-	21,025	21,025	21,025	-
Legal Services	11-000-230-331	30,000	35,902	65,902	65,902	-
Audit Fees	11-000-230-332	28,000	(76)	27,924	27,050	874

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	JUNE 30, 2021			POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL
Architectural/ Engineering Fees	11-000-230-334	5,000	(5,000)	-	-
Other Purchased Professional Services	11-000-230-339	14,700	(1,519)	13,181	12,620
Communications/Telephone	11-000-230-530	47,050	(13,307)	33,743	33,743
Board of Education - Travel	11-000-230-580	-	2,900	2,900	30
Board of Education Other Purchased Services	11-000-230-585	1,000	250	1,250	-
Miscellaneous Purchased Services	11-000-230-590	42,350	(8,900)	33,450	31,915
General Supplies	11-000-230-610	5,318	-	5,318	3,398
Board of Education In-House Training/Meeting Supplies	11-000-230-630	500	-	500	80
Miscellaneous Expenditures	11-000-230-890	6,250	3,000	9,250	8,766
Board of Education Membership Dues and Fees	11-000-230-895	12,500	-	12,500	12,312
Total Undist. Expend.-Support Service-General Administration		398,336	39,278	437,614	426,738
Undist. Expend.-Support Service-School Administration:					
Salaries of Principals/Assistant Principals/Prog. Dir.	11-000-240-103	653,483	1,000	654,483	654,113
Salaries Other Professional Staff	11-000-240-104	104,311	114,144	218,455	216,824
Salaries of Secretarial and Clerical Assistants	11-000-240-105	229,531	(19,240)	210,291	201,147
Unused Vacation Payment to Terminated/Retired Staff	11-000-240-199	-	6,338	6,338	6,338
Other Purchased Services (400-500 Series)	11-000-240-500	2,500	-	2,500	-
Supplies and Materials	11-000-240-600	13,350	(895)	12,455	10,548
Other Objects	11-000-240-800	14,500	422	14,922	7,135
Total Undist. Expend.-Support Service-School Administration		1,017,675	101,769	1,119,444	1,096,105
Undist. Expend.-Central Services:					
Salaries	11-000-251-100	349,405	-	349,405	348,313
Purchased Technical Services	11-000-251-340	3,400	-	3,400	2,135
Misc. Purchase Services (400-500 Series)	11-000-251-592	2,000	(300)	1,700	225
Supplies and Materials	11-000-251-600	4,818	585	5,403	5,214
Other Objects	11-000-251-890	1,500	(285)	1,215	1,215
Total Undist. Expend.-Central Services		361,123	-	361,123	357,102
Undist. Expend.-Admin. Info Technology:					
Salaries	11-000-252-100	35,157	1	35,158	35,158
Purchased Technical Services	11-000-252-340	-	13,951	13,951	13,855
Supplies and Materials	11-000-252-600	37,749	(3,230)	34,519	34,519
Total Undist. Expand-Admin. Info. Technology		72,906	10,722	83,628	83,532
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	11-000-261-100	-	231,576	231,576	175,059
Cleaning, Repair and Maintenance Services	11-000-261-420	106,500	13,526	120,026	109,197
General Supplies	11-000-261-610	51,000	8,000	59,000	55,818
Total Undist. Expend.-Required Maintenance for School Facilities		157,500	253,102	410,602	340,074
Undist. Expend.- Custodial Services					
Salaries	11-000-262-100	263,390	(257,375)	6,015	1,679
Salaries of Non-Instructional Aides	11-000-262-107	-	25,800	25,800	24,522
Cleaning, Repair, and Maintenance Services	11-000-262-420	983,650	-	983,650	964,201
Insurance	11-000-262-520	130,600	-	130,600	129,118
Travel	11-000-262-580	-	1,000	1,000	850
General Supplies	11-000-262-610	52,000	15,929	67,929	45,058
Energy (Natural Gas)	11-000-262-621	75,000	-	75,000	61,094
Energy (Electricity)	11-000-262-622	355,000	(10,000)	345,000	315,430
Energy (Gasoline)	11-000-262-626	9,000	-	9,000	8,492
Other Objects	11-000-262-800	35,350	5,473	40,823	34,435
Total Undist. Expend.- Custodial Services		1,903,990	(219,173)	1,684,817	1,584,879
Undist. Expend.- Care & Upkeep of Grounds:					
Cleaning, Repair, and Maintenance Services	11-000-263-420	10,200	3,025	13,225	13,143
General Supplies	11-000-263-610	50,200	(1,394)	48,806	45,331
Total Undist. Expend. - Care & Upkeep of Grounds		60,400	1,631	62,031	58,474

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Undist. Expend.- Security:						
Salaries	11-000-266-100	199,947	(2,153)	197,794	159,457	38,337
Cleaning, Repair, and Maintenance Services	11-000-266-420	8,519	(255)	8,264	8,014	250
General Supplies	11-000-266-610	-	3,755	3,755	2,908	847
Total Undist. Expend. - Security		208,466	1,347	209,813	170,379	39,434
Total Undist. Expend. - Other Oper. & Maintenance of Plant		2,330,356	36,907	2,367,263	2,153,806	213,457
Undist. Expend.-Student Transportation Services:						
Salaries for Non-Instructional Aids	11-000-270-107	11,400	-	11,400	10,246	1,154
Salaries for Pupil Transportation (Bet. Home and School)-Reg.	11-000-270-160	21,225	8,829	30,054	28,295	1,759
Salaries for Pupil Trans. (Bet. Home and School)-Spec.Ed.	11-000-270-161	34,750	-	34,750	26,554	8,196
Other Purchased Professional & Technical Services	11-000-270-390	91,450	(7,623)	83,827	73,851	9,976
Cleaning, Repair and Maintenance Services	11-000-270-420	12,000	-	12,000	8,947	3,053
Contract Services-ALL Payments-Non Public Charter Sch.	11-000-270-503	49,000	(29,950)	19,050	16,044	3,006
Contract Services (Aid-In-Lieu)-Choice Students	11-000-270-505	-	28,744	28,744	10,423	18,321
Contract Services (Between Home & School)-Vendors	11-000-270-511	586,000	(9,495)	576,505	528,736	47,769
Contract Services (Other Than Bet. Home & School)-Vendors	11-000-270-512	85,750	-	85,750	34,868	50,882
Contract Services (Special Education)-Vendors	11-000-270-514	451,680	45,692	497,372	412,642	84,730
General Supplies	11-000-270-610	7,800	-	7,800	4,949	2,851
Other Objects	11-000-270-800	900	333	1,233	825	408
Total Undist. Expend.-Student Transportation Services		1,351,955	36,530	1,388,485	1,156,380	232,105
Unallocated Benefits - Employee Benefits						
Social Security Contributions	11-000-291-220	210,700	15,350	226,050	220,148	5,902
Other Retirement Contributions-PERS	11-000-291-241	285,000	(921)	284,079	274,317	9,762
Other Retirement Contributions-Regular	11-000-291-249	4,000	-	4,000	2,220	1,780
Unemployment Compensation	11-000-291-250	110,000	20,000	130,000	-	130,000
Workman's Compensation	11-000-291-260	160,000	-	160,000	146,685	13,315
Health Benefits	11-000-291-270	3,230,766	(151,413)	3,079,353	2,973,069	106,284
Tuition Reimbursement	11-000-291-280	20,000	-	20,000	2,700	17,300
Other Employee Benefits	11-000-291-290	332,000	(74,698)	257,302	253,318	3,984
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	-	29,767	29,767	29,767	-
Total Undist. Expend.-Benefits		4,352,466	(161,915)	4,190,551	3,902,224	288,327
On-Behalf TPAF Normal Contributions (Non-Budgeted)		-	-	-	3,370,891	(3,370,891)
On-Behalf TPAF Post-Retirement Medical (Non-Budgeted)		-	-	-	1,056,385	(1,056,385)
On-Behalf TPAF LTDI (Non-Budgeted)		-	-	-	1,486	(1,486)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)		-	-	-	792,999	(792,999)
Total On-Behalf Contributions		-	-	-	5,221,761	(5,221,761)
Total Personal Services-Employee Benefits		4,352,466	(161,915)	4,190,551	9,123,985	(4,933,434)
Total Undistributed Expenditures		12,875,206	(85,416)	12,789,790	16,952,405	(4,162,615)
Total Current Expense		23,729,563	(66,062)	23,663,501	27,190,959	(3,527,458)

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
CAPITAL OUTLAY					
Increase in Capital Reserve	10-604	1	(1)	-	-
Equipment:					
Undist. Expend - Admin. Info. Tech.	12-000-252-730	-	84,411	84,411	15,369
Undist. Expend - Required Maintenance School Facilities	12-000-261-730	-	7,058	7,058	7,058
Total Equipment		-	91,469	91,469	22,427
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	12-000-400-896	70,671	1	70,672	70,671
Total Facilities Acquisition and Construction Services		70,671	1	70,672	70,671
Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	-
Total Capital Outlay		70,672	91,469	162,141	93,098
Total Expenditures		23,800,235	25,407	23,825,642	27,284,057
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(775,000)	(25,407)	(800,407)	897,477
Fund Balances, July 1 (As Restated)		2,348,391	-	2,348,391	2,348,391
Fund Balances, June 30		\$ 1,573,391	\$ (25,407)	\$ 1,547,984	\$ 3,245,868
					\$ (1,697,884)

RECAPITULATION OF BUDGET TRANSFERS:

Prior Year Encumbrances	\$ 25,407
Total	<u>\$ 25,407</u>

RECAPITULATION OF FUND BALANCE:

Restricted for:	
Capital Reserve	\$ 13,304
Unemployment Reserve	31,233
Excess Surplus	414,664
Reserve for Impact Aid	902,437
Assigned:	
Year-End Encumbrances	127,093
Designated for Subsequent Year's Expenditures	775,000
Unassigned	<u>982,137</u>
Subtotal	3,245,868
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	<u>(898,225)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 2,347,643</u>

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	JUNE 30, 2021				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES:					
Local Sources	\$ -	\$ 248,727	\$ 248,727	\$ 88,499	\$ (160,228)
Federal Sources	595,754	386,595	982,349	729,570	(252,779)
Total Revenues	595,754	635,322	1,231,076	818,069	(413,007)
EXPENDITURES:					
Instruction:					
Salaries	200,265	1,719	201,984	109,522	92,462
Tuition	287,976	196,941	484,917	405,437	79,480
General Supplies	41,556	126,259	167,815	96,963	70,852
Total Instruction	529,797	324,919	854,716	611,922	242,794
Support Services:					
Other Salaries	-	21,787	21,787	18,066	3,721
Employee Benefits	-	24,925	24,925	13,260	11,665
Purchased Professional Educational Services	-	45,083	45,083	32,230	12,853
Other Purchased Services (400-500 Series)	65,957	(50,282)	15,675	6,944	8,731
Supplies and Materials	-	58,585	58,585	47,440	11,145
Scholarships Awarded	-	2,057	2,057	400	1,657
Student Activities	-	-	192,884	70,020	122,864
Total Support Services	65,957	102,155	360,996	188,360	172,636
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	-	15,364	15,364	15,364	-
Total Facilities Acquisition and Construction Services	-	15,364	15,364	15,364	-
Total Expenditures	595,754	442,438	1,231,076	815,646	415,430
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	192,884	-	2,423	2,423
Fund Balance, July 1 (Restated)				122,098	
Fund Balance, June 30				\$ 124,521	
Recapitulation:					
Restricted:					
Scholarship				1,657	
Student Activities				122,864	
Total Fund Balance				124,521	

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	GENERAL FUND	SPECIAL REVENUE FUND
SOURCES/INFLOWS OF RESOURCES		
Actual amounts (budgetary) "revenues" from the Budgetary Comparison Schedules	\$ 28,181,534	\$ 818,069
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,023,661	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(898,225)	-
	<u>\$ 28,306,970</u>	<u>\$ 818,069</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.		
	<u>\$ 28,306,970</u>	<u>\$ 818,069</u>
USES/OUTFLOWS OF RESOURCES		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule	\$ 27,284,057	\$ 815,646
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year Encumbrances - Local	-	-
Prior Year Encumbrances - Federal	-	-
	<u>-</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.		
	<u>\$ 27,284,057</u>	<u>\$ 815,646</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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PLUMSTED TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST EIGHT FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.02508%	0.02803%	0.02605%	0.02440%	0.02412%	0.02315%	0.02352%	0.02441%
School District's proportionate share of the net pension liability	\$ 4,089,213	\$ 5,050,334	\$ 5,129,781	\$ 5,680,610	\$ 7,143,631	\$ 5,197,444	\$ 4,403,440	\$ 4,665,430
School District's covered payroll	\$ 1,650,942	\$ 1,812,628	\$ 1,930,578	\$ 1,762,152	\$ 1,630,839	\$ 1,452,025	\$ 1,402,008	\$ 1,526,365
School District's proportionate share of the net pension liability as a percentage of its covered payroll	247.69%	278.62%	265.71%	322.37%	438.03%	357.94%	314.08%	305.66%
Plan fiduciary net position as a percentage of the total pension liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

PLUMSTED TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST EIGHT FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 274,317	\$ 272,636	\$ 259,147	\$ 226,067	\$ 214,278	\$ 199,056	\$ 193,889	\$ 183,932
Contributions in relation to the contractually required contribution	(274,317)	(272,636)	(259,147)	(226,067)	(214,278)	(199,056)	(193,889)	(183,932)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 1,487,516	\$ 1,650,942	\$ 1,812,628	\$ 1,930,578	\$ 1,762,152	\$ 1,630,839	\$ 1,452,025	\$ 1,402,008
Contributions as a percentage of covered payroll	18.44%	16.51%	14.30%	11.71%	12.16%	12.21%	13.35%	13.12%

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST EIGHT FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	76,481,515	70,356,433	70,036,032	73,646,284	87,168,593	70,058,465	59,244,682	55,193,760
District's covered-employee payroll	\$ 11,183,202	\$ 11,847,774	\$ 12,501,348	\$ 11,813,356	\$ 11,312,720	\$ 11,104,989	\$ 11,100,021	\$ 10,754,490
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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%	33.76%

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

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

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PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FOUR FISCAL YEAR*

	2021	2020	2019	2018
District's Total OPEB Liability:				
Service Cost	\$ 2,199,970	\$ 2,232,605	\$ 2,382,761	\$ 2,882,249
Interest Cost	1,489,603	1,738,474	1,877,425	1,620,916
Differences between Expected and Actual Experiences	12,079,136	(5,726,310)	(5,494,652)	-
Changes of Assumptions	12,414,888	610,253	(4,968,087)	(7,313,472)
Contributions: Member	35,865	37,243	40,010	43,167
Gross Benefit Payments	(1,183,216)	(1,256,394)	(1,157,639)	(1,172,308)
Net Change in District's Total OPEB Liability	27,036,246	(2,364,129)	(7,320,182)	(3,939,448)
District's Total OPEB Liability (Beginning)	40,928,855	43,292,984	50,613,166	54,552,614
District's Total OPEB Liability (Ending)	\$ 67,965,101	\$ 40,928,855	\$ 43,292,984	\$ 50,613,166
District's Covered Employee Payroll	\$ 12,670,718	\$ 13,498,716	\$ 14,367,583	\$ 13,743,934
District's Net OPEB Liability as a Percentage of Payroll	536%	303%	301%	368%

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

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

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.60% as of June 30, 2019, to 5.40% as of June 30, 2020.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 6.28% as of June 30, 2019, to 7.00% as of June 30, 2020.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.50% as of June 30, 2019, to 2.21% as of June 30, 2020.

OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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

	I.D.E.A. - PART B			NO CHILD LEFT BEHIND			CARES Emergency Relief Grant
	Basic	Preschool	Title I Part A	Title II Part A	Title III		
Revenues:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	287,370	20,960	141,961	39,105	42,479	97,107	
Total Revenues	287,370	20,960	141,961	39,105	42,479	97,107	
Expenditures:							
Instruction:							
Salaries of Teachers	-	-	99,522	-	-	-	-
Tuition	287,370	20,960	-	-	-	97,107	
General Supplies	-	-	13,759	-	39,047	-	
Total Instruction	287,370	20,960	113,281	-	39,047	97,107	
Support Services:							
Other Salaries	-	-	7,666	10,400	-	-	-
Personal Services - Employee Benefits	-	-	12,464	796	-	-	-
Purchased Professional - Educational Services	-	-	8,400	22,830	1,000	-	-
Other Purchased Professional Services	-	-	150	4,561	2,233	-	-
Supplies and Materials	-	-	-	518	199	-	-
Total Support Services	-	-	28,680	39,105	3,432	-	-
Total Expenditures	287,370	20,960	141,961	39,105	42,479	97,107	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-
Fund Balances, July 1 (As Restated)	-	-	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PLUMSTED TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES (continued)
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	COVID Relief Fund	Digital Divide	Local Programs	Student Activities	Scholarship Fund	Totals
Revenues:						
Local Sources	\$ -	\$ -	\$ 15,656	\$ 72,442	\$ 401	\$ 88,499
Federal Sources	56,431	44,157	-	-	-	729,570
Total Revenues	56,431	44,157	15,656	72,442	401	818,069
Expenditures:						
Instruction:						
Salaries of Teachers	-	-	10,000	-	-	109,522
Tuition	-	-	-	-	-	405,437
General Supplies	-	44,157	-	-	-	96,963
Total Instruction	-	44,157	10,000	-	-	611,922
Support Services:						
Other Salaries	-	-	-	-	-	18,066
Personal Services - Employee Benefits	-	-	-	-	-	13,260
Purchased Professional - Educational Services	-	-	-	-	-	32,230
Other Purchased Professional Services	-	-	-	-	-	6,944
Supplies and Materials	41,067	-	5,656	-	-	47,440
Scholarships Awarded	-	-	-	-	400	400
Student Activities	-	-	-	70,020	-	70,020
Total Support Services	41,067	-	5,656	70,020	400	188,360
Facilities Acquisition & Construction Services						
Noninstructional Equipment	15,364	-	-	-	-	15,364
Total Facilities Acquisition & Construction Services	15,364	-	-	-	-	15,364
Total Expenditures	56,431	44,157	15,656	70,020	400	815,646
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	2,422	1	2,423
Fund Balances, July 1 (As Restated)	-	-	-	120,442	1,656	122,098
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ 122,864	\$ 1,657	\$ 124,521

F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

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

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Internal Service Fund

Not Applicable

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Fiduciary Fund

Not Applicable

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I. Long-Term Debt

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PLUMSTED TOWNSHIP SCHOOL DISTRICT
 LONG-TERM DEBT
 STATEMENT OF BONDS
 JUNE 30, 2021

DESCRIPTION	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS DATE	ANNUAL PAYMENTS AMOUNT	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2020	ADDITIONS	RETIRED	Refunded	AMOUNT OUTSTANDING JUNE 30, 2021
Bond Refunding (2002 Bonds)	09/16/10	\$ 6,410,000				\$ 3,810,000	\$ -	\$ 420,000	\$ 3,390,000	\$ -
Bond Refunding	7/15/2020	\$ 3,230,000	7/15/2021	\$ 405,000	4.00%	-	3,230,000	20,000		3,210,000
			7/15/2022	430,000	4.00%					
			7/15/2023	440,000	4.00%					
			7/15/2024	455,000	4.00%					
			7/15/2025	475,000	4.00%					
			7/15/2026	495,000	4.00%					
			7/15/2027	510,000	4.00%					
			Total			\$ 3,810,000	\$ 3,230,000	\$ 440,000	\$ 3,390,000	\$ 3,210,000

EXHIBIT I-2

PLUMSTED TOWNSHIP SCHOOL DISTRICT
 LONG-TERM DEBT
 STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES
 JUNE 30, 2021

DESCRIPTION	DATE OF LEASE	INTEREST RATE PAYABLE	BALANCE OUSTANDING JULY 1, 2020	RETIRED CURRENT YEAR	BALANCE OUSTANDING JUNE 30, 2021
Various Equipment	10/17/2019	3.00%	\$ 425,000	\$ 100,000	\$ 325,000
		Total	\$ 425,000	\$ 100,000	\$ 325,000

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

	JUNE 30, 2021				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 550,732	\$ -	\$ 550,732	\$ 550,732	\$ -
Total Revenues	550,732	-	550,732	550,732	-
Expenditures:					
Regular Debt Service:					
Interest and Other Charges	110,732	-	110,732	88,032	22,700
Redemption of Principal	440,000	-	440,000	440,000	-
Total Regular Debt Service	550,732	-	550,732	528,032	22,700
Total Expenditures	550,732	-	550,732	528,032	22,700
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	-	-	-	22,700	22,700
Other Financing Sources/(Uses):					
Proceeds of Refunding Debt	-	-	-	7,757	7,757
Total Other Financing Sources/(Uses)	-	-	-	7,757	7,757
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	-	-	-	30,457	30,457
Fund Balance, July 1	2	-	2	2	-
Fund Balance, June 30	\$ 2	\$ -	\$ 2	\$ 30,459	\$ 30,457

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STATISTICAL SECTION (Unaudited)

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Financial Trends Information

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

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

	FISCAL YEAR ENDED JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 *
Governmental Activities:										
Net Investment in Capital Assets	\$ 17,021,145	\$ 17,881,220	\$ 17,590,426	\$ 19,143,862	\$ 19,949,353	\$ 21,587,623	\$ 22,830,648	\$ 23,935,020	\$ 22,674,744	\$ 21,653,611
Restricted	2,699,596	2,589,289	2,281,700	2,281,700	2,909,217	2,489,427	1,717,333	975,934	1,140,744	1,516,618
Unrestricted	750,046	969,702	(3,791,599)	(3,791,599)	(4,791,522)	(5,901,842)	(6,691,684)	(6,355,821)	(6,105,204)	(5,225,985)
Total Governmental Activities Net Position	\$ 20,470,787	\$ 21,440,211	\$ 16,080,527	\$ 17,633,963	\$ 18,067,048	\$ 18,175,208	\$ 17,856,297	\$ 18,555,133	\$ 17,710,284	\$ 17,944,244
Business-Type Activities:										
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,226	\$ 10,387	\$ 7,338	\$ 4,290	\$ 1,241
Unrestricted	97,700	73,986	73,557	43,582	69,256	33,587	18,107	105,129	50,845	(29,945)
Total Business-Type Activities Net Position	\$ 97,700	\$ 73,986	\$ 73,557	\$ 43,582	\$ 69,256	\$ 40,813	\$ 28,494	\$ 112,467	\$ 55,135	\$ (28,704)
Government-wide:										
Net Investment in Capital Assets	\$ 17,021,145	\$ 17,881,220	\$ 17,590,426	\$ 19,143,862	\$ 19,949,353	\$ 21,594,849	\$ 22,841,035	\$ 23,942,358	\$ 22,679,034	\$ 21,654,852
Restricted	2,699,596	2,589,289	1,688,483	2,281,700	2,909,217	2,489,427	1,717,333	975,934	1,140,744	1,516,618
Unrestricted	847,746	1,043,688	1,838,538	(3,748,017)	(4,722,266)	(5,868,255)	(6,673,577)	(6,250,692)	(6,054,359)	(5,255,930)
Total Net Position	\$ 20,568,487	\$ 21,514,197	\$ 21,117,447	\$ 17,677,545	\$ 18,136,304	\$ 18,216,021	\$ 17,884,791	\$ 18,667,600	\$ 17,765,419	\$ 17,915,540

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 *
FISCAL YEAR ENDED JUNE 30,										
Expenses:										
Governmental Activities:										
Instruction:										
Regular	9,370,442	6,521,331	6,368,842	6,550,475	6,529,649	6,593,381	7,161,136	6,828,675	6,487,982	5,955,461
Special Education	4,117,633	3,090,988	3,048,332	3,150,910	3,238,644	3,403,458	3,501,507	3,327,134	3,426,566	3,431,259
Other Special Education	324,256	514,658	816,305	752,140	809,042	878,930	798,093	702,554	742,502	698,298
Other Instruction	847,081	664,130	719,124	813,288	818,864	910,248	885,239	857,409	832,917	605,963
Support Services:										
Instruction	148,796	347,086	275,450	350,228	403,195	501,272	403,195	356,919	525,843	534,467
Attendance and Social Work	43,694	35,066	37,768	37,000	38,999	39,934	95,685	98,762	32,282	30,016
Health Services	291,417	282,747	299,213	317,288	307,958	305,172	304,809	302,257	233,206	234,739
Other Support Services	2,902,088	2,056,721	2,082,571	2,120,888	2,141,438	2,264,605	2,368,615	2,398,027	1,933,962	1,812,256
Educational Media Services	99,079	112,427	125,042	107,015	130,923	112,527	147,683	140,362	99,656	97,240
Instructional Staff Training	79,444	161,725	171,242	213,308	218,932	202,581	231,305	234,017	151,499	34,271
General Administration	964,878	491,168	506,042	529,169	561,081	455,600	471,806	484,097	464,738	426,738
School Administration	746,324	972,721	1,007,641	990,468	1,010,093	1,101,961	1,125,046	1,143,033	1,021,775	1,096,105
Central Services	538,356	429,552	435,842	459,107	466,013	414,892	368,802	364,987	380,036	357,102
Technology	45,967	31,080	48,459	34,645	31,966	45,733	58,461	40,260	86,657	83,532
Operations and Maintenance	3,514,375	1,962,243	2,038,677	2,167,789	2,598,568	2,278,737	2,249,730	2,323,220	2,665,617	2,036,288
Student Transportation	1,151,310	974,839	984,829	972,983	1,096,116	1,217,694	1,331,815	1,367,071	1,325,966	1,156,380
Special Schools	26,225	28,748	30,234	-	-	-	-	-	-	-
Unallocated Employee Benefits	-	6,438,946	6,063,627	8,860,215	9,995,729	4,352,571	14,175,896	11,885,382	10,961,300	18,017,385
On-Behalf TPAF Pension & FICA Contributions	-	706,701	664,813	407,858	352,827	305,633	247,962	217,130	201,206	(12,643)
Interest on Long-Term Debt and Other Charges	913,273	1,616,456	1,423,669	1,610,241	1,537,046	1,614,811	1,494,359	1,335,007	1,472,821	1,876,442
Unallocated Depreciation and Amortization	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	26,124,638	27,459,333	27,147,722	30,445,015	32,287,083	30,130,070	37,421,144	34,406,303	33,046,284	38,471,299
Business-Type Activities:										
Food Service	496,011	488,917	493,235	464,938	414,769	443,683	411,452	409,687	318,970	313,793
Community Education	39,799	43,378	43,392	38,002	49,711	24,384	21,158	42,529	34,690	5,361
Middle School Sports	-	-	-	-	-	-	-	-	-	-
N.E.E.D.	178,874	179,383	173,602	174,216	168,013	178,230	189,070	190,397	159,446	148,085
Parking	1,894	-	-	820	-	-	-	-	-	-
Warrior Day Camp	78,322	59,034	65,239	84,752	96,170	93,867	101,366	94,721	86,852	-
Total Business-Type Activities Expenses	794,900	770,712	775,468	762,728	728,663	740,164	723,046	737,334	599,958	467,239
Total Government-Wide Expenses	\$ 26,919,538	\$ 28,230,045	\$ 27,923,190	\$ 31,207,743	\$ 33,015,746	\$ 30,870,234	\$ 38,144,190	\$ 35,143,637	\$ 33,646,242	\$ 38,938,538
Program Revenues:										
Governmental Activities:										
Charges for Services	\$ 203,754	\$ 206,264	\$ 226,582	\$ 204,524	\$ 119,942	\$ 243,224	\$ 300,251	\$ 382,223	\$ 118,719	\$ 77,860
Operating Grants and Contributions	1,088,525	624,548	581,438	5,541,893	6,774,908	3,742,742	10,458,420	8,074,567	7,405,461	9,709,046
Total Governmental Activities Program Revenues	1,292,279	830,812	808,020	5,746,417	6,894,850	3,985,966	10,758,671	8,456,790	7,524,180	9,786,906

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

	FISCAL YEAR ENDED JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 *
Business-Type Activities:										
Charges for Services:										
Food Service	357,520	314,118	282,090	232,414	194,743	196,644	213,282	268,624	167,108	-
Community Education	46,096	52,653	43,942	8,154	57,828	43,703	44,963	62,730	21,786	4,690
Middle School Sports	-	-	-	-	-	-	-	-	-	-
N.E.E.D.	148,517	149,617	162,853	170,656	151,758	177,936	194,851	240,757	137,385	55,566
Parking	2,400	2,645	2,610	780	-	-	-	-	-	-
Warrior Day Camp	83,470	61,126	80,967	88,601	100,250	88,209	70,678	100,335	94,004	-
Operating Grants and Contributions	140,290	156,687	187,519	213,127	161,800	196,130	164,860	149,994	122,343	320,593
Total Business-Type Activities Charges for Services	778,293	736,846	759,981	713,732	666,379	702,622	688,634	822,440	542,626	380,849
Total Government-Wide Program Revenues	\$ 2,070,572	\$ 1,567,658	\$ 1,568,001	\$ 6,460,149	\$ 7,561,229	\$ 4,688,588	\$ 11,447,305	\$ 9,279,230	\$ 8,066,806	\$ 10,167,755
Net (Expense)/Revenue:										
Governmental Activities	\$ (24,832,359)	\$ (26,628,521)	\$ (26,339,702)	\$ (24,698,598)	\$ (25,392,233)	\$ (26,144,104)	\$ (26,662,473)	\$ (25,949,513)	\$ (25,522,104)	\$ (28,684,393)
Business-Type Activities	(16,607)	(33,866)	(15,487)	(48,996)	(62,284)	(37,542)	(34,412)	85,106	(57,332)	(86,390)
Total Government-Wide Net (Expense)/Revenue	\$ (24,848,966)	\$ (26,662,387)	\$ (26,355,189)	\$ (24,747,594)	\$ (25,454,517)	\$ (26,181,646)	\$ (26,696,885)	\$ (25,864,407)	\$ (25,579,436)	\$ (28,770,783)
General Revenues and Other changes in Net Position:										
Governmental Activities:										
Property Taxes, Levied for General Purposes, Net	\$ 9,613,840	\$ 9,613,840	\$ 9,926,117	\$ 10,124,639	\$ 10,519,408	\$ 10,886,223	\$ 11,103,947	\$ 11,444,162	\$ 11,967,081	\$ 12,206,423
Property Taxes, Levied for Debt Service	1,409,148	1,529,044	1,613,840	1,633,246	1,599,249	1,534,474	1,579,091	1,578,172	547,131	550,732
Federal & State Aid Not Restricted	15,714,601	16,313,882	15,349,569	14,050,023	13,645,745	13,676,642	13,571,207	13,499,595	12,033,349	15,849,263
Transfer	-	-	8,531	-	(73,503)	-	-	-	-	7,757
Miscellaneous Income	176,337	141,179	150,430	146,193	134,419	154,925	89,317	126,420	129,694	175,847
Total Governmental Activities	26,913,926	27,597,945	27,048,487	25,954,101	25,825,318	26,252,264	26,343,562	26,648,349	24,677,255	28,790,022
Business-Type Activities:										
Transfer	-	-	(8,531)	-	73,503	-	-	-	-	-
Miscellaneous Income	15,074	10,152	23,590	19,021	14,455	9,099	22,093	(1,133)	-	2,551
Total Business-Type Activities	15,074	10,152	15,059	19,021	87,958	9,099	22,093	(1,133)	-	2,551
Total Government-Wide Net Expense	\$ 26,929,000	\$ 27,608,097	\$ 27,063,546	\$ 25,973,122	\$ 25,913,276	\$ 26,261,363	\$ 26,365,655	\$ 26,647,216	\$ 24,677,255	\$ 28,792,573
Change in Net Position:										
Governmental Activities	\$ 2,081,567	\$ 969,424	\$ 708,785	\$ 1,255,503	\$ 433,085	\$ 108,160	\$ (318,911)	\$ 698,836	\$ (844,849)	\$ 105,629
Business-Type Activities	(1,533)	(23,714)	(428)	(29,975)	25,674	(28,443)	(12,319)	83,973	(57,332)	(83,839)
Total Government-Wide Change in Net Position	\$ 2,080,034	\$ 945,710	\$ 708,357	\$ 1,225,528	\$ 458,759	\$ 79,717	\$ (331,230)	\$ 782,809	\$ (902,181)	\$ 21,790

Source: CAFR Schedule A-2
* For the year ended June 30, 2021 net position was reclassification due to GASB 84.

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

	FISCAL YEAR ENDING JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Restricted	\$ 156,369	\$ 573,674	\$ 1,792,477	\$ 2,150,035	\$ 3,021,693	\$ 2,446,387	\$ 1,717,332	\$ 975,932	\$ 1,140,742	\$ 1,361,638
Assigned	1,915,086	1,817,870	1,438,629	1,531,641	286,910	738,300	109,933	317,605	575,407	902,093
Unassigned	842,225	1,258,347	433,322	(134,339)	-	(979,166)	(859,782)	(651,249)	(397,652)	83,912
Total General Fund	2,913,680	3,649,891	3,664,428	3,547,337	3,308,603	2,205,521	967,483	642,288	1,318,497	2,347,643
All Other Governmental Funds:										
Restricted:										
Capital Projects Fund	163,630	182,673	447,899	(123,251)	(6,515)	43,039	-	-	-	-
Debt Service Fund	14,902	171	11,234	67,390	36,634	1	1	2	2	30,459
Student Activities	-	-	-	-	-	-	-	-	-	1,657
Scholarship Fund	-	-	-	-	-	-	-	-	-	122,864
Committed:										
Capital Projects Fund	396,716	-	26,296	112,785	-	-	-	-	-	-
Assigned:										
Designated for Subsequent Year Expense	86,107	14,902	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 661,355	\$ 197,746	\$ 485,429	\$ 56,924	\$ 30,119	\$ 43,040	\$ 1	\$ 2	\$ 2	\$ 154,980

Source: CAFR Schedule B-1
 *For the year ended June 30, 2021 fund balance was reclassification due to GASB 84.

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

	FISCAL YEAR ENDING JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Tax Levy	\$ 11,022,988	\$ 11,142,884	\$ 11,539,957	\$ 11,757,885	\$ 12,118,657	\$ 12,420,697	\$ 12,683,038	\$ 13,022,334	\$ 12,514,212	\$ 12,757,155
Tuition Charges	203,754	206,264	226,582	204,524	119,942	243,224	300,251	382,223	118,719	77,860
Interest Earnings	398	-	-	-	-	-	-	-	-	-
Miscellaneous	175,940	141,180	139,367	206,019	168,338	175,569	110,779	129,294	138,254	175,847
State Sources	14,048,093	14,630,944	14,380,024	15,315,158	15,323,361	15,680,505	16,155,454	16,712,909	15,257,485	14,940,653
Federal Sources	2,755,032	2,307,486	1,550,983	1,628,278	1,672,844	1,718,235	1,697,589	1,630,734	1,803,628	1,724,256
Total Revenues	28,206,205	28,428,758	27,836,913	29,111,864	29,403,142	30,238,230	30,947,111	31,877,494	29,832,299	29,675,771
Expenditures:										
Instruction:										
Regular	6,999,511	6,521,331	6,368,842	6,550,475	6,529,649	6,819,628	7,257,754	6,931,968	6,672,982	6,026,630
Special	2,577,070	3,090,988	3,048,332	3,150,910	3,238,644	3,403,458	3,501,507	3,327,134	3,426,566	3,472,294
Other Special	332,832	514,658	816,305	752,140	809,042	878,930	798,093	702,554	742,502	706,633
Other	625,794	664,130	719,124	813,288	818,864	910,248	885,239	857,409	802,537	644,919
Support Services and Undistributed Costs:										
Instruction	148,796	347,086	275,450	350,228	403,195	501,272	403,195	356,919	525,843	534,595
Attendance and Social Work Services	43,694	35,066	37,768	37,000	38,999	39,934	95,685	98,762	32,282	30,016
Health Services	291,417	282,747	299,213	317,288	307,958	305,172	304,809	302,257	233,206	234,739
Other Support Services	2,109,310	2,056,721	2,082,571	2,120,888	2,141,438	2,264,605	2,368,615	2,398,027	1,933,962	1,812,256
Educational Media Services	99,079	112,427	125,042	107,015	130,923	112,527	147,683	140,362	99,656	97,240
Instruction Staff Training	79,444	161,725	171,242	213,308	218,932	202,581	231,305	234,017	151,499	34,271
General Administrative Services	515,172	491,168	506,042	529,169	561,081	455,600	471,806	484,097	464,490	426,738
School Administrative Services	910,702	972,721	1,007,641	990,468	1,010,093	1,101,961	1,125,046	1,143,033	1,021,775	1,096,105
Central Services	430,004	429,552	435,842	459,107	466,013	414,892	368,802	364,987	380,036	357,102
Technology	44,162	31,080	48,459	34,645	31,966	45,733	58,461	40,260	86,657	83,532
Allowed Maintenance for School Facilities	173,725	234,640	185,917	248,193	218,274	178,917	126,198	152,071	167,262	340,074
Other Operations and Maintenance of Plant	1,853,907	1,653,884	1,852,760	1,919,596	1,921,801	2,099,820	2,083,769	2,135,300	1,998,355	1,813,732
Student Transportation Services	934,605	974,839	984,829	972,983	1,096,116	1,217,694	1,331,815	1,367,071	1,325,966	1,156,380
Unallocated Employee Benefits	4,070,436	6,315,132	6,015,785	6,268,696	6,478,899	3,857,577	4,117,375	4,287,471	4,063,717	3,902,224
On-Behalf Pension & FICA Contributions	-	-	-	-	-	3,130,330	3,634,070	4,248,177	4,408,994	5,221,761
Nonbudget Expenditures	1,874,506	-	-	-	-	-	-	-	-	-
Charter School	26,225	28,748	30,234	-	-	-	-	-	-	-
Capital Outlay	929,691	734,095	426,757	1,346,976	1,194,485	818,788	330,517	419,191	500,000	37,791
Debt Service:										
Principal	1,710,000	1,785,000	1,895,000	2,095,000	2,120,000	2,184,996	2,260,017	2,330,016	400,000	440,000
Interest and Other Charges	788,318	718,420	710,504	380,087	358,806	383,728	326,427	258,877	217,802	158,703
Total Expenditures	27,568,400	28,156,158	28,043,659	29,657,460	30,095,178	31,328,391	32,228,188	32,202,688	29,656,090	28,627,735
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	637,805	272,600	(206,746)	(545,596)	(692,036)	(1,090,161)	(1,281,077)	(325,194)	176,209	1,048,036
Other Financing Sources/(Uses):										
Proceeds of Refunding Debt	-	-	7,689,665	-	-	-	-	-	-	7,757
Payments To Escrow Agent	-	-	(7,597,230)	-	-	-	-	-	-	-
Lease Purchase Agreement	660,000	-	-	-	-	-	-	-	500,000	-
Transfers In	410,304	-	337,754	-	-	-	-	-	-	-
Transfers Out	(410,304)	-	(329,223)	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	660,000	-	100,966	-	-	-	-	-	500,000	7,757
Net Change in Fund Balances	\$ 1,297,805	\$ 272,600	\$ (105,780)	\$ (545,596)	\$ (692,036)	\$ (1,090,161)	\$ (1,281,077)	\$ (325,194)	\$ 676,209	\$ 1,055,793
Debt Service as a Percentage of Noncapital Expenditures	9.38%	9.13%	9.43%	8.74%	8.58%	8.42%	8.11%	8.05%	2.12%	2.09%

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

FISCAL YEAR ENDING JUNE 30,	INTEREST	TUITION	RENTAL FEES	MISCELLANEOUS	PAY TO PARTICIPATE FEES	ANNUAL TOTALS
2012	\$ 398	\$ 203,754	\$ -	\$ 134,470	\$ -	\$ 338,622
2013	-	206,264	-	80,488	-	286,751
2014	13	226,582	10,919	80,189	35,225	352,928
2015	-	204,524	-	109,476	36,547	350,547
2016	-	119,942	-	95,604	38,815	254,361
2017	-	243,224	14,374	123,824	37,371	418,793
2018	-	300,251	14,374	123,824	37,371	475,820
2019	-	382,223	17,647	72,071	36,702	508,643
2020	-	118,719	8,310	97,171	24,213	248,413
2021	-	77,860	-	87,348	-	165,208

Revenue Capacity Information

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

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

FISCAL YEAR ENDING JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENTS	TOTAL ASSESSED VALUE	LESS: TAX-EXEMPT PROPERTY	PUBLIC UTILITIES ^a	NET VALUATION TAXABLE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE	TOTAL DIRECT SCHOOL TAX RATE ^b
2012	\$ 24,795,700	\$ 900,980,100	\$ 52,045,600	\$ 2,061,200	\$ 54,949,300	\$ 13,917,000	\$ 3,884,600	\$ 1,052,633,500	\$ 206,344,300	\$ -	\$ 1,052,633,500	\$ (157,823,704)	1.055
2013	17,279,100	669,291,000	38,214,400	2,057,100	42,871,500	10,961,000	2,963,200	783,637,300	201,050,600	-	783,637,300	36,671,916	1.469
2014	16,519,100	669,537,700	38,677,800	2,056,200	42,901,500	10,961,000	2,963,200	783,615,700	201,170,300	-	783,615,700	62,056,456	1.498
2015	15,888,600	667,254,600	40,195,000	2,068,300	42,922,500	10,961,000	2,963,200	782,123,200	202,804,300	-	783,861,029	47,739,748	1.546
2016	16,066,000	667,340,000	40,113,500	2,062,500	42,603,800	10,961,000	2,963,200	782,110,000	203,394,300	-	783,700,365	N/A	1.580
2017	16,023,800	670,606,600	39,012,700	2,010,500	42,786,300	10,961,000	2,963,200	784,364,100	203,417,700	-	784,364,100	70,460,357	1.617
2018	15,688,900	671,798,200	39,436,500	2,000,500	42,696,700	10,965,200	2,963,200	785,489,200	203,534,500	-	785,489,200	76,351,144	1.658
2019	15,840,500	673,283,600	39,943,100	1,979,000	42,668,500	10,905,200	2,963,200	784,583,100	205,900,700	-	784,583,100	907,137,357	1.596
2020	25,149,500	673,775,000	36,116,400	1,738,900	42,762,800	10,905,200	2,963,200	793,411,800	206,863,900	-	793,411,800	918,313,380	1.608
2021	16,229,400	671,582,000	36,505,800	1,764,900	42,762,800	10,905,200	2,963,200	782,713,300	208,819,800	-	573,893,500	991,603,100	1.646

Source: Abstract of Rates/bills - Ocean County
 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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

b Tax rates are per \$100

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE				OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE ^a	GENERAL OBLIGATION DEBT SERVICE ^b	PLUMSTED TOWNSHIP		PLUMSTED TOWNSHIP	FIRE DISTRICT	OCEAN COUNTY		
			SCHOOL DISTRICT						
2012	9,613,840	1,529,044	1.055	0.171	0.123	0.254	1.603		
2013	9,613,840	1,529,044	1.469	0.243	0.184	0.337	2.233		
2014	9,926,117	1,613,840	1.498	0.255	0.199	0.371	2.323		
2015	10,519,408	1,599,249	1.546	0.261	0.199	0.374	2.380		
2016	10,886,223	1,534,474	1.584	0.270	0.200	0.461	2.515		
2017	11,103,947	1,579,091	1.617	0.276	0.211	0.457	2.561		
2018	11,444,162	1,578,172	1.658	0.280	0.212	0.452	2.602		
2019	11,444,162	1,578,172	1.608	0.287	0.212	0.462	2.569		
2020	11,967,081	547,131	1.608	0.304	0.231	0.468	2.611		
2021	12,206,423	550,732	1.646	0.309	0.247	0.451	2.653		

Source: Municipal Tax Collector, Ocean County Board of Taxation.

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

^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.

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

	2021			2011		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer #1	4,662,200	1	0.59%	5,411,900	1	0.50%
Taxpayer #2	4,165,900	2	0.53%	3,589,700	2	0.33%
Taxpayer #3	2,866,100	3	0.36%	2,810,400	3	0.26%
Taxpayer #4	2,376,500	4	0.30%	2,246,400	4	0.21%
Taxpayer #5	2,063,300	5	0.26%	2,214,000	5	0.20%
Taxpayer #6	1,878,200	6	0.24%	2,159,500	6	0.20%
Taxpayer #7	1,328,800	7	0.17%	2,114,300	7	0.19%
Taxpayer #8	1,250,000	8	0.16%	1,716,400	8	0.16%
Taxpayer #9	1,221,300	9	0.15%	1,694,700	9	0.16%
Taxpayer #10	1,162,900	10	0.15%	1,427,600	10	0.13%
Total	22,975,200		2.94%	25,384,900		2.34%

Source: Municipal Tax Assessor

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY ^a PERCENTAGE OF LEVY	AMOUNT	COLLECTIONS IN SUBSEQUENT YEARS
2012	\$ 11,022,988	\$ 10,806,988	98.04%	\$ 216,000
2013	11,142,884	10,710,884	96.12%	432,000
2014	11,539,957	11,107,957	96.26%	432,000
2015	11,757,885	11,325,885	96.33%	432,000
2016	12,118,657	11,686,657	96.44%	432,000
2017	12,420,697	12,251,038	98.63%	432,000
2018	12,683,038	12,251,038	96.59%	432,000
2019	13,022,334	12,590,334	96.59%	432,000
2020	12,514,212	12,082,212	96.55%	432,000
2021	12,757,155	12,325,155	96.61%	432,000

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

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

Debt Capacity Information

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

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EXHIBIT J-10

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME ^a	PER CAPITA
	GENERAL OBLIGATION BONDS ^b	CAPITAL LEASES				
2012	\$ 17,660,000	\$ -	\$	17,660,000	5.2%	2,094
2013	16,920,000	514,785		17,434,785	5.0%	2,072
2014	14,950,000	794,709		15,744,709	4.4%	1,864
2015	12,855,000	583,463		13,438,463	3.7%	1,579
2016	10,735,000	786,187		11,521,187	3.0%	1,353
2017	8,630,000	479,944		9,109,944	2.3%	1,068
2018	6,455,000	298,309		6,753,309	N/A	791
2019	4,210,000	110,000		4,320,000	N/A	512
2020	3,810,000	425,000		3,810,000	N/A	445
2021	3,210,000	325,000		3,535,000	N/A	410

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

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

N/A - At the time of CAFR completion, this data was not yet available

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

FISCAL YEAR ENDED JUNE 30	GENERAL BONDED DEBT OUTSTANDING				
	GENERAL OBLIGATION BONDS d	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY a	PER CAPITA b
2012	\$ 17,660,000	\$ -	\$ 18,705,000	1.68%	2,218
2013	16,920,000	-	16,920,000	2.16%	2,011
2014	14,950,000	-	14,950,000	1.91%	1,770
2015	12,855,000	-	12,855,000	1.64%	1,510
2016	10,735,000	-	10,735,000	1.37%	1,261
2017	8,630,000	-	8,630,000	1.10%	1,012
2018	6,455,000	-	6,455,000	0.82%	756
2019	4,210,000	-	4,210,000	0.54%	499
2020	3,810,000	-	3,810,000	0.49%	445
2021	3,210,000	-	3,210,000	0.40%	375

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

a Used Estimated County equalized value from J-6

b Population data can be founds in Exhibit J-14

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021
(UNAUDITED)**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE ^a	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt Repaid with Property Taxes:			
Plumsted Township	\$ 28,348,905	100.00%	\$ 28,348,905
Ocean County General Obligation	11,318,972	0.90%	101,871
Subtotal, Overlapping Debt Plumsted Township School District			<u>28,450,776</u> <u>3,210,000</u>
Total Direct and Overlapping Debt			<u>\$ 31,660,776</u>

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

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

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

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

	FISCAL YEAR ENDED JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 36,618,916	\$ 35,046,076	\$ 33,990,534	\$ 33,385,084	\$ 33,769,267	\$ 33,769,267	\$ 34,250,290	\$ 34,604,636	\$ 23,252,433	\$ 23,885,314
Total Net Debt Applicable To Limit	18,705,000	16,920,000	14,950,000	12,855,000	10,735,000	8,630,000	6,455,000	4,210,000	3,810,000	3,210,000
Legal Debt Margin	\$ 17,913,916	\$ 18,126,076	\$ 19,040,534	\$ 20,530,084	\$ 23,034,267	\$ 25,139,267	\$ 27,795,290	\$ 30,394,636	\$ 19,442,433	\$ 20,675,314
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	51.08%	48.28%	43.98%	38.51%	31.79%	25.56%	18.85%	12.17%	16.39%	13.44%

Legal Debt Margin Calculation for Fiscal Year 2021:

	Equalized Valuation Basis
2021	\$ 911,234,409
2020	907,137,357
2019	884,261,173
	[A] 1,791,398,530
Average Equalized Valuation of Taxable Property	[A/3] 597,132,843
Debt Limit (4.0% of Average Equalization Value)	[B] 23,885,314
Total Net Debt Applicable To Limit	[C] 3,210,000
Legal Debt Margin	[B-C] \$ 20,675,314

Source: Equalized valuation bases were obtained from the Ocean County Board of Taxation

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	POPULATION a	PERSONAL INCOME b	PER CAPITA PERSONAL INCOME c	UNEMPLOYMENT RATE d
2012	8,435	\$ 336,556,500	\$ 39,900	10.10%
2013	8,415	348,885,900	41,460	8.90%
2014	8,446	358,946,554	42,499	7.70%
2015	8,511	362,338,803	42,573	N/A
2016	8,513	377,815,453	44,381	5.10%
2017	8,530	393,309,770	46,109	4.40%
2018	8,543	405,049,259	47,413	5.10%
2019	8,436	423,352,224	50,184	4.20%
2020	8,571	445,760,568	52,008	3.50%
2021	8,630	458,589,570	53,139	8.70%

Sources:

a Population information provided by the NJ Department 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 estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

Operating Information

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

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**PLUMSTED TOWNSHIP SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 CURRENT YEAR AND FIVE YEARS AGO
 (UNAUDITED)**

Function/Program:	<u>2016</u>	<u>2021</u>
Instruction:		
Regular	90	89
Special Education	65	55
Basic Skills	7	9
Bilingual	0	3
Athletics		
Support Services:		
Attendance & Social Work Services	4	3
Health Services	4	3
Speech, OT, PT & Related Services	7	4
Extraordinary Services (1:1 Services)	4	6
Guidance Services	11	8
Child Study Team	8	6
Educational Media Services	2	4
General Administration	6	3
School Administration	13	11
Central Services	6	5
Information Technology	2	2
Operations & Maintenance of Plant	7	7
Student Transportation Services	0	2
	<u>236</u>	<u>220</u>
Total	<u><u>236</u></u>	<u><u>220</u></u>

PLUMSTED TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	ENROLLMENT	OPERATING EXPENDITURES ^a	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF ^b	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) ^c	AVERAGE DAILY ATTENDANCE (ADA) ^c	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						PRIMARY	ELEMENTARY	MIDDLE SCHOOL				
2012	1,684	\$ 24,373,584	15,329	1.97%	167	7	10	11	1,616	1,561	-4.32%	96.06%
2013	1,650	24,918,642	14,474	-5.58%	168	7	9	8	1,598	1,535	-1.11%	96.06%
2014	1,543	25,011,398	15,102	4.34%	168	6	10	11	1,518	1,456	-5.01%	95.92%
2015	1,473	25,835,397	17,539	21.18%	169	10	11	11	1,488	1,401	-1.98%	94.15%
2016	1,382	26,421,887	19,119	9.00%	172	7	9	9	1,430	1,349	-3.90%	94.34%
2017	1,375	27,940,879	20,321	6.29%	166	N/A	N/A	N/A	1,376	1,303	-3.78%	94.69%
2018	1,335	29,311,227	21,956	8.05%	161	N/A	N/A	N/A	1,346	1,279	-2.18%	95.02%
2019	1,295	29,571,876	22,835	4.01%	160	N/A	N/A	N/A	1,301	1,240	-3.34%	95.31%
2020	1,189	28,538,288	24,002	9.32%	157	N/A	N/A	N/A	1,227	1,171	-8.84%	95.44%
2021	1,104	27,991,241	25,354	11.03%	153	N/A	N/A	N/A	1,084	1,045	-16.68%	96.40%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total expenditures, less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

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).

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

DISTRICT/BUILDINGS:	FISCAL YEAR ENDED JUNE 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
New Egypt Primary School										
Square Feet	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600
Capacity (Students)	325	325	325	325	325	325	325	325	325	325
Enrollment	160	208	205	192	183	195	196	218	0	0
Dr Gerald H. Woehr Elementary School										
Square Feet	80,680	80,680	80,680	80,680	80,680	80,680	80,680	80,680	80,680	80,680
Capacity (Students)	582	582	582	582	582	582	582	582	582	582
Enrollment	534	474	423	396	381	386	406	388	481	481
New Egypt Middle School										
Square Feet	77,600	77,600	77,600	77,600	77,600	77,600	77,600	77,600	77,600	77,600
Capacity (Students)	461	461	461	461	461	461	461	461	461	461
Enrollment	457	441	412	403	343	314	290	289	294	294
New Egypt High School										
Square Feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Capacity (Students)	537	537	537	537	537	537	537	537	537	537
Enrollment	533	527	503	482	499	480	444	400	336	329
Field House										
Square Feet	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584
New Egypt High School Barn										
Square Feet	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863	1,863
Dr. Gerald H. Woehr Elementary School Barn										
Square Feet	2,792	2,792	2,792	2,792	2,792	2,792	2,792	2,792	2,792	2,792
Concession Stand										
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Press Box										
Square Feet	144	144	144	144	144	144	144	144	144	144
Sewer Plant										
Square Feet	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Number of Schools at June 30, 2021										
Primary = 1										
Elementary = 1										
Middle = 1										
High School = 1										
Other = 6										

Source: District Facilities Office, 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.

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

FISCAL YEAR ENDED JUNE 30,	PRIMARY SCHOOL	ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL	ELEMENTARY SCHOOL BARN	HIGH SCHOOL BARN	CONCESSION STAND	FIELD HOUSE	PRESS BOX	SEWER PLANT	TOTAL
2012	\$ 15,149	\$ 38,740	\$ 35,935	\$ 48,558	\$ 99	\$ -	\$ -	\$ -	\$ -	\$ 35,245	\$ 173,726
2013	36,336	43,849	61,786	51,383	-	1,734	4,711	-	-	31,143	230,942
2014	20,988	10,761	53,267	66,528	-	6,210	2,400	1,400	-	24,363	185,917
2015	36,256	34,551	62,267	85,016	-	957	2,218	508	-	26,421	248,194
2016	31,568	46,069	47,130	55,294	-	2,178	6,743	976	-	28,047	218,005
2017	24,286	37,314	42,988	51,276	-	-	-	1,750	-	21,303	178,917
2018	17,149	30,342	29,184	39,488	-	701	376	1,348	54	7,356	126,198
2019	20,939	37,048	35,633	48,535	-	855	459	1,646	66	6,890	152,071
2020	23,110	40,889	39,328	53,219	-	925	496	1,779	71	7,446	167,263
2021	22,109	39,118	37,625	50,909	903	-	485	1,738	70	7,273	160,230
Total School Facilities	\$ 247,890	\$ 358,681	\$ 445,143	\$ 550,206	\$ 1,002	\$ 13,560	\$ 17,888	\$ 11,145	\$ 261	\$ 195,687	\$ 1,841,463

PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF INSURANCE
JUNE 30, 2021
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
School Commercial Package Policy-Selective Way Insurance Co.		
Property-blanket building and contents boiler and machinery policy	72,411,531	
	Included in Property Limit	
Commercial general liability	2,000,000	
Commercial inland marine coverage	318,425	500
Electronic Information Systems Equipment and Data Virus or Harmful Code	1,481,700	1,000
	150,000	
Pipeline Distribution System	100,000	1,000
Equipment	15,000	500
Business automobile	1,000,000	
Workers compensation and employer's liability NJ School Board Association.	Statutory	
Temporary Disability - NJ School Board Association	Full Salary less 7 day wait WC Benefits Period	
School Board Legal Liability Selective Insurance Co.	1,000,000	5,000
Umbrella Liability Policy Selective Way Insurance Co.	10,000,000	
Student Accident - Monumental Life Insurance Company	5,000,000	25,000
Commercial Crime Coverage Selective Insurance Company of America	500,000	5,000
Surety Bonds Selective Insurance Company of America: Treasurer	230,000	
Business Administrator/Board Secretary	140,000	

Source: District Records

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SINGLE AUDIT SECTION

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EXHIBIT K-1

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Plumsted Township School District (hereafter referred to as the School District), as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 7, 2022

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey
March 7, 2022

EXHIBIT K-2

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

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

Report on Compliance for Each Major Federal and State Program

We have audited the Plumsted Township School District's (hereafter referred to as the School District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2021. The School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and

perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey
March 7, 2022

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

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2020	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE)	BALANCE, JUNE 30, 2021		
										UNEARNED REVENUE	DUE TO GRANTOR	
U.S. Department of Health and Human Services												
Medical Assistance Program												
Passed Through New Jersey Department of Human Services:												
Medicare Cluster:												
	93.778	1706NJSMAP	100-054-7540-211	\$ 5,085	7/1/20-6/30/21		5,085	\$ (5,085)	\$ -	\$ -	\$ -	
	93.778	1706NJSMAP	100-054-7540-211	43,274	7/1/20-6/30/21		43,274	(43,274)	-	-	-	
				48,359			48,359	(48,359)	-	-	-	
Total U.S. Department of Health and Human Services												
				48,359			48,359	(48,359)	-	-	-	
U.S. Department of Agriculture												
Passed Through New Jersey Department of Agriculture:												
Child Nutrition Cluster:												
	10.553	201NJ04N1099	100-010-3350-028	2,499	7/1/19-6/30/20	(5,601)	8,100	(2,499)	-	-	-	
	10.553	211NJ04N1099	100-010-3350-028	89,391	7/1/20-6/30/21	(5,601)	79,175	(89,391)	(10,216)	-	-	
				91,890			87,275	(91,890)	(10,216)	-	-	
	10.555	201NJ04N1099	100-010-3350-026	4,303	7/1/19-6/30/20	(12,758)	17,061	(4,303)	-	-	-	
	10.555	211NJ04N1099	100-010-3350-026	166,395	7/1/20-6/30/21	-	149,024	(166,395)	(17,371)	-	-	
	10.555	201NJ04N1099	100-010-3350-026	86	7/1/19-6/30/20	(424)	510	(86)	-	-	-	
	10.555	211NJ04N1099	100-010-3350-026	3,318	7/1/20-6/30/21	2,972	3,318	(3,318)	(346)	-	-	
	10.555	211NJ04N1099	Unavailable	34,024	7/1/20-6/30/21	8,362	32,549	(34,024)	-	-	6,887	
	10.555	202121H170341	100-010-3350-026	11,853	7/1/20-6/30/21	(4,820)	202,116	(11,853)	(29,570)	-	6,887	
						(10,421)	289,391	(311,869)	(39,786)	-	6,887	
	10.649	202121S900941	100-115-6130-000	614	7/1/20-6/30/21	-	-	(614)	(614)	-	-	
						(10,421)	289,391	(312,483)	(40,400)	-	6,887	
Total U.S. Department of Agriculture												
						(10,421)	289,391	(312,483)	(40,400)	-	6,887	
U.S. Department of Education												
Passed Through New Jersey Department of Education:												
L.D.E.A. Part B (Special Education Cluster)												
	84.027	H027A180100	100-034-5065-016	313,751	7/1/19-9/30/20	(72,428)	72,428	-	-	-	-	
	84.027	H027A170100	100-034-5065-016	287,370	7/1/20-6/30/21	(72,428)	287,370	(287,370)	-	-	-	
							359,798	(287,370)	-	-	-	
	84.173	H173A180114	100-034-5065-020	21,515	7/1/19-9/30/20	(9,239)	9,239	-	-	-	-	
	84.173	H173A170114	100-034-5065-020	20,960	7/1/20-6/30/21	-	20,960	(20,960)	-	-	-	
						(9,239)	30,199	(20,960)	-	-	-	
						(81,667)	389,997	(308,330)	-	-	-	
Total Special Education Cluster												
No Child Left Behind (N.C.L.B.):												
	84.010	S010A180030	100-034-5064-194	235,606	7/1/19-9/30/20	(5,525)	5,525	-	-	-	-	
	84.010	S010A170030	100-034-5064-194	141,962	7/1/20-6/30/21	-	113,707	(141,962)	(28,255)	-	-	
						(5,525)	119,232	(141,962)	(28,255)	-	-	
	84.367	S367A180029	100-034-5063-290	77,596	7/1/19-9/30/20	(14,535)	14,535	-	-	-	-	
	84.367	S367A170029	100-034-5063-290	39,105	7/1/20-6/30/21	(14,535)	38,128	(39,105)	(977)	-	-	
						(14,535)	52,663	(39,105)	(977)	-	-	
	84.365	S365A180030	100-034-5064-187	48,889	7/1/19-9/30/20	(4,201)	4,201	-	-	-	-	
	84.365	S365A170030	100-034-5064-187	42,479	7/1/20-6/30/21	-	41,777	(42,479)	(702)	-	-	
						(4,201)	45,978	(42,479)	(702)	-	-	
	84.041	Unavailable	N/A - Direct	946,328	7/1/20-6/30/21	-	946,328	(946,328)	-	-	-	
	84.425D	Unavailable	100-034-5120-513	141,264	7/1/20-6/30/21	-	145,513	(141,264)	-	-	4,249	
	2.1019	Unavailable	100-034-5120-517	56,431	7/1/20-6/30/21	-	56,431	(56,431)	-	-	-	
						(105,928)	1,756,142	(1,675,899)	(29,934)	-	4,249	
						(116,349)	2,093,892	(2,036,741)	(70,334)	\$ -	11,136	

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

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

GRANTOR STATE PROJECT NUMBER	GRANTOR/PROGRAM TITLE OR CLUSTER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2020	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE JUNE 30, 2021	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:										
General Fund:										
495-034-5120-068	State Aid Public:	\$ 241,803	7/1/20-6/30/21	-	241,803	(241,803)	-	-	23,332	\$ 241,803
495-034-5120-078	School Choice Aid	8,067,783	7/1/20-6/30/21	-	8,067,783	(8,067,783)	-	-	778,476	8,067,783
495-034-5120-084	Equalization Aid	23,602	7/1/20-6/30/21	-	23,602	(23,602)	-	-	2,277	23,602
495-034-5120-089	Special Education Categorical Aid	975,623	7/1/20-6/30/21	-	975,623	(975,623)	-	-	94,140	975,623
	Total State Aid Public	9,308,811		-	9,308,811	(9,308,811)	-	-	898,225	9,308,811
495-034-5120-014	Additional Nonpublic School Transportation Aid	6,960	7/1/20-6/30/21	-	-	(6,960)	-	(6,960)	-	6,960
495-034-5120-044	Extraordinary Aid	196,556	7/1/19-6/30/20	(196,556)	196,556	-	-	-	-	-
495-034-5120-044	Extraordinary Aid	277,685	7/1/20-6/30/21	-	20,113	(277,685)	-	(257,572)	-	277,685
100-034-5094-003	Reimbursed TPAF Social Security Contributions	851,887	7/1/19-6/30/20	(42,077)	42,077	-	-	-	-	851,887
100-034-5094-003	Reimbursed TPAF Social Security Contributions	792,999	7/1/20-6/30/21	-	754,146	(792,999)	-	(38,853)	-	792,999
495-034-5094-001	TPAF - Post Retirement	1,056,385	7/1/20-6/30/21	-	1,056,385	(1,056,385)	-	-	-	1,056,385
495-034-5094-002	TPAF - Pension	3,370,891	7/1/20-6/30/21	-	3,370,891	(3,370,891)	-	-	-	3,370,891
495-034-5094-004	TPAF - Long-Term Disability Insurance (Noncash Assistance)	1,486	7/1/20-6/30/21	-	1,486	(1,486)	-	-	-	1,486
	Total General Fund			(238,633)	14,750,465	(14,815,217)	-	(303,385)	898,225	15,667,104
New Jersey Department of Agriculture:										
Enterprise Fund:										
100-010-3350-023	National School Lunch Program	3,193	7/1/19-6/30/20	(1,134)	1,134	-	-	-	-	-
100-010-3350-023	National School Lunch Program	9,584	7/1/20-6/30/21	-	7,334	(9,584)	-	(2,250)	-	9,584
	Total Enterprise Fund			(1,134)	8,468	(9,584)	-	(2,250)	-	9,584
	Total Expenditures of State Financial Assistance			(239,767)	14,758,933	(14,824,801)	-	(305,635)	898,225	15,676,688
State Financial Assistance Programs not subject to Calculation for Major Program Determination:										
495-034-5094-001	TPAF - Post Retirement Medical (Noncash Assistance)	\$ 1,056,385	7/1/20-6/30/21	-	-	1,056,385	-	-	-	-
495-034-5094-002	TPAF - Pension Contributions (Noncash Assistance)	3,370,891	7/1/20-6/30/21	-	-	3,370,891	-	-	-	-
495-034-5094-004	TPAF - Long-Term Disability Insurance (Noncash Assistance)	1,486	7/1/20-6/30/21	-	-	1,486	-	-	-	-
	Total State Financial Assistance subject to Calculation for Major Program Determination					\$ (10,396,039)				

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

**PLUMSTED TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2021. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2021.

Note 3. Relationship to Basic Financial Statements

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

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

Note 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$125,436 for the general fund and \$-0- for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

Fund:	Federal	State	Total
General Fund	\$ 994,686	\$ 14,940,653	\$ 15,935,339
Special Revenue Fund	729,570	-	729,570
Food Service Fund	312,485	9,584	322,069
Total Awards & Financial Assistance	<u>\$ 2,036,741</u>	<u>\$ 14,950,237</u>	<u>\$ 16,986,978</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The School District had no loan balances outstanding at June 30, 2021.

**PLUMSTED 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

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

Federal Awards

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

Identification of major programs:

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

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

Auditee qualified as low-risk auditee?	<u> X </u> Yes	<u> </u> No
----------------------------------------	------------------	------------------

PLUMSTED TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

State Financial Assistance

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

Auditee qualified as low-risk auditee? X Yes No

Internal control over major programs:

1) Material weakness(es) identified? Yes X No

2) Significant deficiency(ies) identified? Yes X No

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

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

Identification of major programs:

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

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

Section II – Financial Statement Findings

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

None.

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

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None

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

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200,k7 *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.