TOWNSHIP OF HADDON
SCHOOL DISTRICT
HADDON TOWNSHIP, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

22400

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INTRODUCTORY SECTION

HADDON TOWNSHIP BOARD OF EDUCATION

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Superintendent of Schools
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School Business Administrator/
Board Secretary
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Elizabeth Mennig
Director of Curriculum & Instruction
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December 4, 2019

Honorable President and
Members of the Board of Education
Haddon Township School District
County of Camden, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Haddon Township School District for the fiscal year ended June 30, 2019, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the District's Management's Discussion and Analysis (MD&A), financial statements and schedules, required supplementary information (RSI) other than the MD&A including budgetary comparison schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the State of New Jersey Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments.*" Information related to this single audit, including the auditor's report on compliance for each major program and report on internal control over compliance required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB, is included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** Haddon Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The Haddon Township Board of Education and its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2018-19 fiscal year with an average daily enrollment of 2,075 students, which is 63 students higher than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last five years.

1. **REPORTING ENTITY AND ITS SERVICES (Cont'd.):**

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2018-2019	2,075	3.13%
2017-2018	2,012	-2.42%
2016-2017	2,062	-1.06%
2015-2016	2,084	3.22%
2014-2015	2,019	-2.13%

2. **ECONOMIC CONDITION AND OUTLOOK:** The Township of Haddon is mainly a residential community with two shopping centers. Numerous retail shops, professional offices and eating establishments are located along Haddon Avenue, a primary artery through Westmont proper. A large number of businesses have been long established in the community. The economic condition of the Township of Haddon is stable. There are two areas along Haddon Avenue, which are being redeveloped. While some additional students will come from the project, the District expects to be able to accommodate said students within the current school capacity.

3. **MAJOR INITIATIVES:** The District has budgeted to provide on-going professional development to support teachers' ability to enhance instruction through the use of personal computing devices as learning tools. The District also budgeted to revise and align the middle school and high school science curricula with the Next Generation Science Standards. The District has also planned to pilot and select an elementary math program to best support students in mastering the Common Core State Standards (CCSS).

   Students continued to score above the state averages and achieve proficiency on the New Jersey ASK and the High School Proficiency Assessment. The seniors' average SAT and ACT scores continue to perform at national averages (85% of the class took the SAT's); 89% of the class went on to higher education, with 69% going to four-year colleges and 20% going to two-year colleges.

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

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

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

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

   An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as Assigned – Year End Encumbrances of fund balance at June 30, 2019.

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

7. **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a summary of the general fund, special revenue fund and debt services fund revenues for the fiscal year ended June 30, 2019.

Revenue	Amount	Percent of Total
Local Sources	$26,877,546.19	63.94%
State Sources	14,320,682.67	34.07%
Federal Sources	834,313.41	1.99%
	$40,291,975.34	100.00%

The following schedule presents a summary of the general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2019.

Expenditure	Amount	Percent of Total
Current Expense:		
Instruction	$13,927,572.44	32.63%
Undistributed Expenditures	24,101,735.14	56.46%
Special Revenue	1,342,845.49	3.15%
Capital Outlay	706,396.48	1.65%
Debt Service:		
Principal	1,475,000.00	3.46%
Interest	1,132,426.26	2.65%
	$42,685,975.81	100.00%

8. **DEBT ADMINISTRATION:** As of June 30, 2019, the District's outstanding debt issues included $31,658,000.00 of general obligation bonds. As of June 30, 2019, the District's borrowing capacity is $20,732,369.43.

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

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

11. OTHER INFORMATION:

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

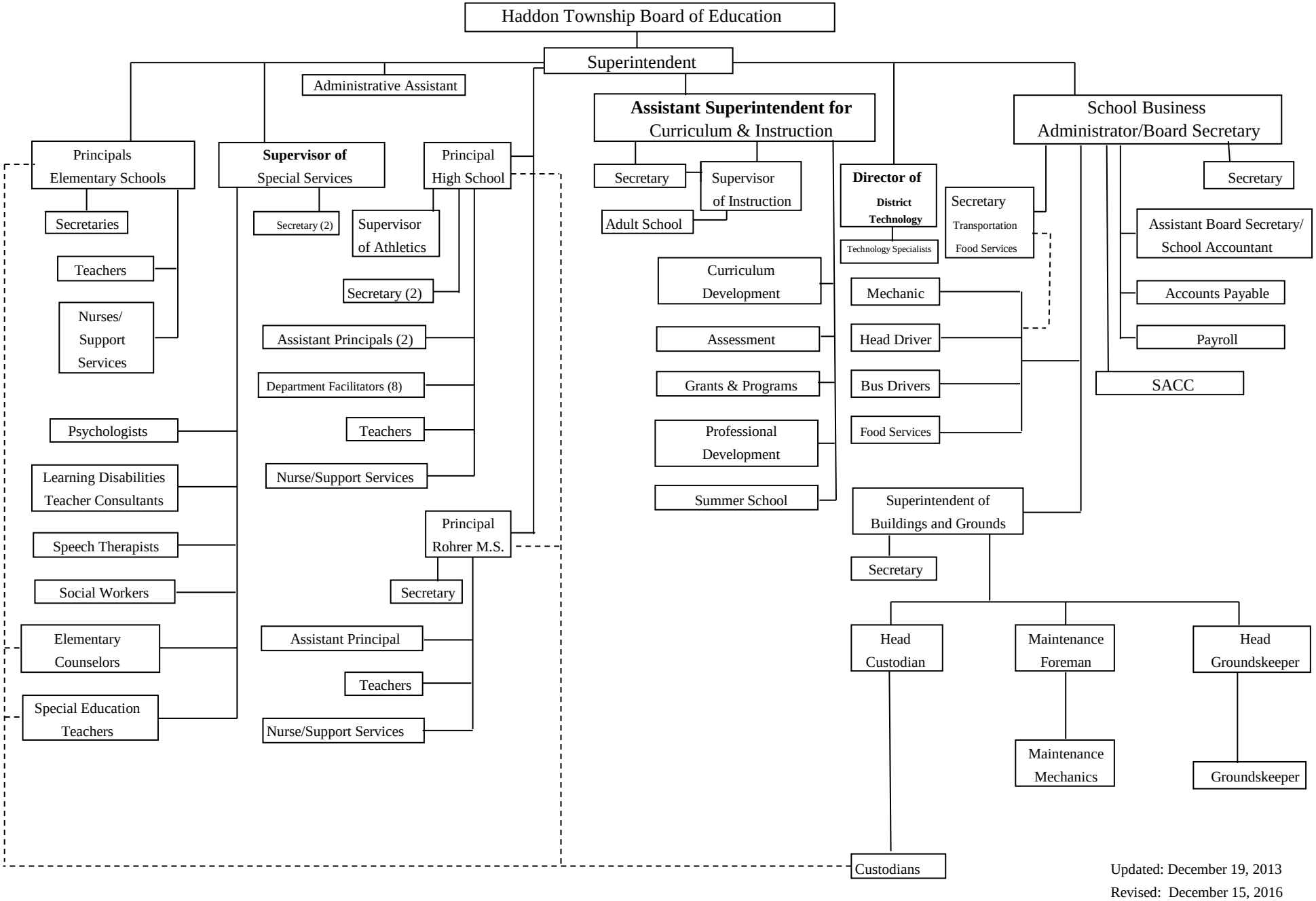
12. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Haddon Township Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial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

Respectfully submitted,

Ms. Bonnie J. Edwards
Superintendent

Mrs. Jennifer Gauld
School Business Administrator/
Board Secretary

Policy 1110: Functional Organizational Chart



Updated: December 19, 2013
Revised: December 15, 2016

HADDON TOWNSHIP BOARD OF EDUCATION
WESTMONT, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2019

Members of the Board of Education	Term Expires
James Lex, Jr., President	Dec. 31, 2021
Allison Rodman, Vice President	Dec. 31, 2021
Mark Cavallo	Dec. 31, 2019
Walter Eife	Dec. 31, 2019
Marie Dezii	Dec. 31, 2019
John Kendall	Dec. 31, 2020
Kellie Hinkle	Dec. 31, 2020
Daniel Carson	Dec. 31, 2020
David Ricci	Dec. 31, 2021

Other Officials

Bonnie J. Edwards, Superintendent of Schools

Jennifer Gauld, Business Administrator/Board Secretary

Elizabeth Mennig, Assistant Superintendent for Curriculum & Instruction

HADDON TOWNSHIP BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, NJ 08043-2493

Attorney

Joseph F. Betley, Esquire
Capehart and Scatchard
C.S. 5016, Suite 300
Laurel Corporate Center
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Official Depositories

1st Colonial National Bank
1040 Haddon Avenue
Collingswood, NJ 08108

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Haddon
Westmont, New Jersey 08108

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 Township of Haddon School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Haddon School District, in the County of Camden, State of New Jersey, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Haddon 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 Office of School 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, 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 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 and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining 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 it.

22400

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2019 on our consideration of the Township of Haddon 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Haddon 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 Township of Haddon School District's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Public School Accountant No. 20CS00223300

Voorhees, New Jersey
December 4, 2019

Exhibit K-1

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*

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Haddon
Westmont, New Jersey 08108

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Haddon School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2019, 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 December 4, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Haddon 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 Township of Haddon 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify one deficiency in internal control, described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance*, as Finding No. 2019-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Haddon 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.

The Township of Haddon School District's Response to Findings

The Township of Haddon School District's response to the finding identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Public School Accountant No. 20CS00223300

Voorhees, New Jersey
December 4, 2019

REQUIRED SUPPLEMENTARY INFORMATION
PART I

The discussion and analysis of the Township of Haddon School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the School District's financial performance as a whole: readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2019 are as follows:

- In total, net position decreased $1,215,878.75.
- General revenues accounted for $40,634,369.20 in revenue or 88.74% of all revenues, excluding capital grants and contributions. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $5,153,876.07 or 11.26% of total revenues of $45,788,245.27 excluding capital grants and contributions. Capital grants and contributions totaled $257,278.38.
- The School District had $47,216,192.76 in expenses; $10,374,284.56 of these expenses was offset by program specific charges for services, grants or contributions.
- Among governmental funds, the General Fund had $38,082,269.78 in revenues and $38,735,704.06 in expenditures. The General Fund's balance decreased by $762,434.28 from 2018.

Overview of the Financial Statements

The financial section of this annual report consists of two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures and Part II, budgetary comparison schedules, required supplementary information, notes to the required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements, Exhibit A-1 and A-2 are district-wide financial statements that provide both long-term and short-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the district-wide statements.

The governmental fund statements tell how general government services were financed in the short term as well as what remains for future spending.

Overview of the Financial Statements (Cont'd)

Proprietary fund statements offer short term and long-term financial information about those types of activities that operate like a business.

Fiduciary fund statements provide information about the financial relationships in which the School District acts as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The statements are followed by another section, Part II, which contains required supplementary information that further explains and supports the information in the financial statements including; budget schedules, reconciliations and individual fund statements.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities include all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the School District using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental and business type activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and special schools.

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Reporting the School District's Most Significant Funds (Cont'd)

Governmental Funds

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

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-Wide and fund financial statements.

The School District as a Whole

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

The following schedule provides a summary of the School District's Net Position for 2019 and 2018.

TOWNSHIP OF HADDON SCHOOL DISTRICT'S NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	$ 3,235,127	$ 4,026,552	$ 381,366	$ 411,385	$ 3,616,493	$ 4,437,937
Capital Assets	55,121,465	57,016,137	11,466	13,959	55,132,931	57,030,097
Total Assets	58,356,592	61,042,689	392,832	425,345	58,749,424	61,468,034
Deferred Outflows of Resources	2,416,850	3,637,886	-	-	2,416,850	3,637,886
Long-term Liabilities Outstanding	39,786,597	43,049,966			39,786,597	43,049,966
Other Liabilities	2,594,346	2,792,292	141,573	132,376	2,735,918	2,924,668
Total Liabilities	42,380,942	45,842,258	141,573	132,376	42,522,515	45,974,634
Deferred Inflows of Resources	3,508,624	2,780,272	-	-	3,508,624	2,780,272
Net Position:						
Net Investment in Capital Assets	23,555,407	23,861,340	11,466	13,960	23,566,873	23,875,300
Restricted	1,829,148	2,757,382			1,829,148	2,757,382
Unrestricted (Deficit)	(10,500,680)	(10,560,678)	239,794	279,009	(10,260,886)	(10,281,669)
Total Net Position	$ 14,883,875	$ 16,058,044	$ 251,260	$ 292,969	$ 15,135,134	$ 16,351,013

The School District as a Whole (Cont'd)

The District's combined net position was $15,135,134.43 on June 30, 2019. This was a decrease of $1,215,878.75 from the June 30, 2018 net position.

The net position of the business type activities decreased by $41,709.23.

The following schedule shows changes in net position for fiscal year 2019 and 2018.

TOWNSHIP OF HADDON SCHOOL DISTRICT'S CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for Services	$ 121,860	$ 123,692	$ 1,000,611	$ 907,265	$ 1,122,471	$ 1,030,956
Operating Grants and Contributions	10,252,425	13,322,398	171,503	170,925	10,423,928	13,493,322
Capital Grants and Contributions	257,278	1,037,502			257,278	1,037,502
Property Taxes	25,801,266	25,357,356			25,801,266	25,357,356
Grants and Contributions not Restricted to Specific Programs	8,658,275	8,780,387			8,658,275	8,780,387
Other	950,920	218,498			950,920	218,498
Total Revenues	46,042,024	48,839,833	1,172,115	1,078,190	47,214,138	49,918,022
Expenses:						
Instruction	14,890,951	14,761,429			14,890,951	14,761,429
Support Services	32,325,242	34,736,171			32,325,242	34,736,171
Food Service			497,151	486,815	497,151	486,815
Other			716,673	608,129	716,673	608,129
Total Expenses	47,216,193	49,497,600	1,213,824	1,094,943	48,430,018	50,592,542
Decrease in Net Position before Transfers	(1,174,169)	(657,767)	(41,709)	(16,754)	(1,215,878)	(674,521)
Transfers	-	-	-	-	-	-
Decrease in Net Position	(1,174,169)	(657,767)	(41,709)	(16,754)	(1,215,878)	(674,521)
Net Position, July 1	16,058,044	16,715,811	292,969	309,723	16,351,012	17,025,534
Net Position, June 30	$ 14,883,875	$ 16,058,044	$ 251,260	$ 292,969	$ 15,135,134	$ 16,351,013

The School District as a Whole (Cont'd)

Governmental Activities

Property taxes and federal and state aid made up 97.65% of revenues for governmental activities for the School District for fiscal year 2019. Federal, state and local grants accounted for 41.30% of revenue.

The total net cost of all programs and services for 2019 and 2018 was $36,584,629.82 and $35,014,007.99, respectively. Instruction comprises 38.27% of District net cost of services for 2019.

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
NET COSTS OF GOVERNMENTAL ACTIVITIES

		2019		2018	
Governmental Activities	Source	Total Costs of Services	Net Costs of Services	Total Costs of Services	Net Costs of Services
Instruction:					
Regular	A-2	$ 10,961,897	$ 10,072,765	$ 11,038,719	$ 10,164,711
Special Education	A-2	2,758,401	2,758,401	2,583,204	2,583,204
Other Special Instruction	A-2	421,640	421,640	426,499	426,499
Other Instruction	A-2	749,012	749,012	713,007	713,007
Support Services:					
Tuition	A-2	1,484,363	1,105,810	1,242,983	835,626
Student and Instruction Related Services	A-2	4,196,589	4,196,589	4,118,397	4,118,397
School Administrative Services	A-2	2,464,450	2,318,930	2,420,784	2,283,044
Other Administrative Services	A-2	509,345	509,345	474,664	474,664
Plant Operations and Maintenance	A-2	5,666,989	5,666,989	5,080,646	5,080,646
Pupil Transportation	A-2	1,077,575	1,077,575	1,127,737	1,127,737
Unallocated Benefits	A-2	15,616,817	6,896,705	18,966,106	7,182,990
Capital Outlay	A-2	53,700	(203,578)	53,700	(983,802)
Interest on Long-term Debt	A-2	1,090,688	849,721	1,120,612	876,744
Unallocated Depreciation	A-2	164,725	164,725	130,542	130,542
Total Governmental Activities		$ 47,216,193	$ 36,584,630	$ 49,497,600	$ 35,014,008

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Tuition expenses include the cost to the School District to send pupils living within the District to private schools and/or schools outside the District area.

Student and instruction related services include the activities designed to assess and improve the wellbeing of students and to supplement the teaching process.

The School District as a Whole (Cont'd)

Governmental Activities (Cont'd)

School Administrative and General and Business Administrative services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administration services.

Plant operation and maintenance of plant activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school activities.

Unallocated benefits include the cost of benefits for the School District staff for social security, retirement contributions, workers' compensation, health benefits and other employee benefits.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the school district.

"Other" includes special schools and unallocated depreciation.

The School District's Funds

The School District's funds are accounted for using the modified accrual basis of accounting. Total revenues amounted to $42,289,820.65 and expenditures were $43,052,254.19.

General Fund Budgeting Highlights

The School District's budget is prepared in accordance with New Jersey Law. The most significant budgeted fund is the General Fund.

During the course of the 2019 fiscal year, the School District modified its General Fund budget numerous times. The net change in the total budget modification resulted from the rollover of previous year's encumbrances.

Capital Assets

At the end of fiscal year 2019, the School District had $55,121,464.75 invested in land, buildings, furniture, equipment and vehicles. The following schedule shows a summary of the fiscal 2019 balances.

TOWNSHIP OF HADDON SCHOOL DISTRICT'S CAPITAL ASSETS
(NET OF ACCUMULATED DEPRECIATION)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	$ 1,121,580	$ 1,121,580			$ 1,121,580	$ 1,121,580
Land Improvements	859,809	458,523			859,809	458,523
Building Improvements	50,523,162	53,152,132			50,523,162	53,152,132
Furniture, Fixtures and Equipment	1,843,764	1,905,360	$ 11,466	$ 13,959	1,855,230	1,919,319
Motor Vehicles	406,872	378,542			406,872	378,542
Construction in Progress	366,278				366,278	
Total	$ 55,121,465	$ 57,016,137	$ 11,466	$ 13,959	$ 55,132,931	$ 57,030,097

Debt Administration

As of June 30, 2019, the School District had $31,658,000.00 of outstanding debt.

TOWNSHIP OF HADDON SCHOOL DISTRICT
LONG-TERM DEBT SCHEDULE

Governmental Activity	Balance June 30, 2019	Balance June 30, 2018	Increase/ Decrease	% Change
General Serial Bonds	$ 31,658,000.00	$ 33,133,000.00	$(1,475,000.00)	(4.45%)
Net Pension Liability	9,035,686.00	10,697,539.00	(1,661,853.00)	(15.53%)
Compensated Absences	653,234.00	771,586.00	(118,352.00)	(15.34%)
Total	$ 41,346,920.00	$ 44,602,125.00	$(3,255,205.00)	(7.30%)

Economic Factors and Next Year's Budget

The Haddon Township School District is in good financial condition presently. While the District does not foresee significant growth, future finances are not without challenges in an era of uncertain State funding.

Contacting the School District's Financial Management

This financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials and investors and creditors with a general overview of the School District's finances and to show its accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Mrs. Jennifer Gauld, School Business Administrator/Board Secretary, at Haddon Township Board of Education Administration office, 500 Rhoads Avenue, Westmont, NJ 08108 or email at jgauld@haddontwpschools.com.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Net Position
June 30, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	$ 1,903,064.67	$ 334,919.33	$ 2,237,984.00
Receivables, net	82,365.14	22,386.02	104,751.16
Intergovernmental Receivables	1,180,555.74	9,370.47	1,189,926.21
Inventory		14,690.46	14,690.46
Prepaid Expenses	69,141.23		69,141.23
Capital Assets, net	55,121,464.75	11,465.87	55,132,930.62
Total Assets	58,356,591.53	392,832.15	58,749,423.68
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	2,416,850.00	-	2,416,850.00
LIABILITIES:			
Accounts Payable	347,595.08		347,595.08
Accrued Interest Payable	436,292.19		436,292.19
Intergovernmental Payable	104,061.84		104,061.84
Unearned Revenue	146,073.11	141,572.62	287,645.73
Noncurrent Liabilities:			
Due within One Year	1,560,323.40		1,560,323.40
Due beyond One Year	39,786,596.60		39,786,596.60
Total Liabilities	42,380,942.22	141,572.62	42,522,514.84
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	3,479,141.00		3,479,141.00
Deferred Gain on Refunding of Debt	29,483.41		29,483.41
Total Deferred Inflows of Resources	3,508,624.41	-	3,508,624.41
NET POSITION:			
Net Investment in Capital Assets	23,555,407.23	11,465.87	23,566,873.10
Restricted:			
Capital Projects	620,155.04		620,155.04
Debt Service	0.89		0.89
Other Purposes	1,208,991.68		1,208,991.68
Unrestricted (Deficit)	(10,500,679.94)	239,793.66	(10,260,886.28)
Total Net Position	$ 14,883,874.90	$ 251,259.53	$ 15,135,134.43

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2019

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	$ 10,961,897.25		$ 889,131.76		$ (10,072,765.49)		$ (10,072,765.49)
Special Education	2,758,401.40				(2,758,401.40)		(2,758,401.40)
Other Special Instruction	421,640.13				(421,640.13)		(421,640.13)
Other Instruction	749,012.03				(749,012.03)		(749,012.03)
Support Services:							
Tuition	1,484,362.74	$ 121,860.00	256,693.16		(1,105,809.58)		(1,105,809.58)
Student and Instruction Related Services	4,196,589.05				(4,196,589.05)		(4,196,589.05)
School Administrative Services	2,464,450.43		145,520.20		(2,318,930.23)		(2,318,930.23)
Other Administrative Services	509,345.04				(509,345.04)		(509,345.04)
Plant Operations and Maintenance	5,666,989.16				(5,666,989.16)		(5,666,989.16)
Pupil Transportation	1,077,575.28				(1,077,575.28)		(1,077,575.28)
Unallocated Benefits	15,616,817.04		8,720,112.44		(6,896,704.60)		(6,896,704.60)
Capital Outlay				$ 257,278.38	257,278.38		257,278.38
Interest on Long-Term Debt	1,090,687.78		240,967.00		(849,720.78)		(849,720.78)
Unallocated Depreciation	164,725.43				(164,725.43)		(164,725.43)
Assessment for Debt Service on SDA Funding	53,700.00				(53,700.00)		(53,700.00)
Total Governmental Activities	47,216,192.76	121,860.00	10,252,424.56	257,278.38	(36,584,629.82)	$ -	(36,584,629.82)
Business-Type Activities:							
Food Service	497,150.73	343,693.24	171,503.11			18,045.62	18,045.62
Other	715,776.01	656,918.24				(58,857.77)	(58,857.77)
Total Business-Type Activities	1,212,926.74	1,000,611.48	171,503.11	-	-	(40,812.15)	(40,812.15)
Total	$ 48,429,119.50	$ 1,122,471.48	$ 10,423,927.67	$ 257,278.38	(36,584,629.82)	(40,812.15)	(36,625,441.97)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					23,434,806.00		23,434,806.00
Taxes Levied for Debt Service					2,366,460.00		2,366,460.00
Federal and State Aid not Restricted					8,658,274.52		8,658,274.52
Miscellaneous Income					954,420.19		954,420.19
Loss on Disposal of Capital Assets					(3,500.41)	(897.08)	(4,397.49)
Total General Revenues and Loss on Disposal of Capital Assets					35,410,460.30	(897.08)	35,409,563.22
Change in Net Position					(1,174,169.52)	(41,709.23)	(1,215,878.75)
Net Position -- July 1					16,058,044.42	292,968.76	16,351,013.18
Net Position -- June 30					$ 14,883,874.90	$ 251,259.53	$ 15,135,134.43

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	$ 1,781,637.89		$ 121,425.89	$ 0.89	$ 1,903,064.67
Receivables, net	81,277.44				81,277.44
Receivables from Other Governments	404,402.56	$ 332,224.44	443,928.74		1,180,555.74
Interfund	660,631.82				660,631.82
Prepaid Expenses	69,141.23				69,141.23
Total Assets	$ 2,997,090.94	$ 332,224.44	$ 565,354.63	$ 0.89	$ 3,894,670.90
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 54,811.08				$ 54,811.08
Payable to Nonpublic School					
Payable to Federal Government		$ 8,268.00			8,268.00
Payable to State Government		95,793.84			95,793.84
Interfund		94,189.49	$ 565,354.63		659,544.12
Unearned Revenue	12,100.00	133,973.11			146,073.11
Total Liabilities	66,911.08	332,224.44	565,354.63	$ -	964,490.15
Fund Balances:					
Non-Spendable:					
Prepaid Expenses	69,141.23				69,141.23
Restricted:					
Capital Reserve	620,155.04				620,155.04
Maintenance Reserve	25,692.27				25,692.27
Current Expense Emergency Reserve	62,802.77				62,802.77
Excess Surplus (2018-19)	120,731.64				120,731.64
Reserve for Excess Surplus (2017-18) - Designated for Subsequent Year's Expenditures	999,765.00				999,765.00
Debt Service Fund				0.89	0.89

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Fund Balances (Cont'd):					
Assigned:					
Other Purposes	$ 1,544.65				$ 1,544.65
Designated for Subsequent Year's Expenditures	1.00				1.00
Unassigned:					
General Fund	1,030,346.26				1,030,346.26
Total Fund Balances	2,930,179.86	$ -	$ -	$ 0.89	2,930,180.75
Total Liabilities and Fund Balances	$ 2,997,090.94	$ 332,224.44	$ 565,354.63	$ 0.89	3,894,670.90

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $74,676,606.63 and the accumulated depreciation is $19,555,141.88.	55,121,464.75
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(32,311,234.00)
Net Pension Liability	(9,035,686.00)
Accounts payable related to the April 1, 2020 required PERS pension contribution that is not to be liquidated with current financial resources	(292,784.00)
Deferred Outflows of Resources - Related to Pensions	2,416,850.00
Deferred Inflows of Resources - Related to Pensions	(3,479,141.00)
Deferred Items, such as deferred gain/loss on refunding, are not recorded as a liability in the governmental funds.	(29,483.41)
Accrued interest on bonds payable, is not due and payable in the current period and therefore are not reported as liabilities in the funds.	(436,292.19)
Net position of governmental activities	$ 14,883,874.90

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2019

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Tax Levy	$ 23,434,806.00			$ 2,366,460.00	$ 25,801,266.00
Tuition Charges	121,860.00				121,860.00
Miscellaneous	954,420.19				954,420.19
State Sources	13,533,380.07	$ 546,335.60	$ 257,278.38	240,967.00	14,577,961.05
Federal Sources	37,803.52	796,509.89			834,313.41
Total Revenues	38,082,269.78	1,342,845.49	257,278.38	2,607,427.00	42,289,820.65
EXPENDITURES:					
Current:					
Regular Instruction	9,998,518.88	889,131.76			10,887,650.64
Special Education Instruction	2,758,401.40				2,758,401.40
Other Special Instruction	421,640.13				421,640.13
Other Instruction	749,012.03				749,012.03
Support Services and Undistributed Costs:					
Tuition	1,484,362.74				1,484,362.74
Student and Instruction Related Services	3,939,895.89	256,693.16			4,196,589.05
School Administrative Services	2,318,930.23	145,520.20			2,464,450.43
Other Administrative Services	509,345.04				509,345.04
Plant Operations and Maintenance	3,076,816.85				3,076,816.85
Pupil Transportation	996,572.72				996,572.72
Unallocated Benefits	11,775,811.67	51,500.37			11,827,312.04
Debt Service:					
Principal				1,475,000.00	1,475,000.00
Interest and Other Charges				1,132,426.26	1,132,426.26
Assessment for Debt Service on SDA Funding	53,700.00				53,700.00
Capital Outlay	652,696.48		366,278.38		1,018,974.86
Total Expenditures	38,735,704.06	1,342,845.49	366,278.38	2,607,426.26	43,052,254.19
Excess (Deficiency) of Revenues over Expenditures	(653,434.28)	-	(109,000.00)	0.74	(762,433.54)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2019

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES):					
Transfer in			$ 109,000.00		$ 109,000.00
Transfer out	$ (109,000.00)				(109,000.00)
Total Other Financing Sources (Uses):	(109,000.00)	$ -	109,000.00	$ -	-
Net Change in Fund Balances	(762,434.28)	-	-	0.74	(762,433.54)
Fund Balance -- July 1	3,692,614.14	-	-	0.15	3,692,614.29
Fund Balance -- June 30	$ 2,930,179.86	$ -	$ -	$ 0.89	$ 2,930,180.75

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2019

Total Net Change in Fund Balances - Governmental Funds		$ (762,433.54)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Total Capital Outlay per Exhibit B-2	$ 1,018,974.86	
Depreciation Expense	(2,910,146.91)	
Capital Asset Additions		(1,891,172.05)
In the statement of activities, the loss on the disposal of capital assets is reported, whereas in the governmental funds, the loss is not recorded.		(3,500.41)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		1,475,000.00
In the statement of activities, deferred gain on refunding bonds is amortized and recorded as interest expense, In the governmental funds, the deferred gain on refunding is not recorded.		28,300.98
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.		13,437.50
Governmental funds report school district pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the school district's pension contribution in the current period.		(152,154.00)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation; when the paid amount exceeds the earned amount the difference is an addition to the reconciliation.		118,352.00
Change in Net Position of Governmental Activities		$ (1,174,169.52)

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2019

	Business-Type Activities - Enterprise Funds					
	Food Service	Latchkey Program	Adult School	Summer Recreation	Kindergarten Care	Total Enterprise
ASSETS:						
Current Assets:						
Cash and Cash Equivalents		$ 33,876.72	$ 6,632.29	$ 156,542.01	$ 518,304.28	$ 715,355.30
Accounts Receivable:						
State	$ 285.76					285.76
Federal	9,084.71					9,084.71
Other	20,582.02	1,804.00				22,386.02
Inventories	14,690.46					14,690.46
Total Current Assets	44,642.95	35,680.72	6,632.29	$ 156,542.01	518,304.28	761,802.25
Noncurrent Assets:						
Furniture, Fixtures and Equipment	174,078.00					174,078.00
Less: Accumulated Depreciation	162,612.13					162,612.13
Total Noncurrent Assets	11,465.87	-	-	-	-	11,465.87
Total Assets	56,108.82	35,680.72	6,632.29	156,542.01	518,304.28	773,268.12
LIABILITIES:						
Current Liabilities:						
Cash Overdraft	380,435.97					380,435.97
Unearned Revenue	16,503.52			116,115.10	8,954.00	141,572.62
Total Current Liabilities	396,939.49	-	-	116,115.10	8,954.00	522,008.59
Total Liabilities	396,939.49	-	-	116,115.10	8,954.00	522,008.59
NET POSITION:						
Net Investment in Capital Assets	11,465.87					11,465.87
Unrestricted (Deficit)	(352,296.54)	35,680.72	6,632.29	40,426.91	509,350.28	239,793.66
Total Net Position (Deficit)	$ (340,830.67)	$ 35,680.72	$ 6,632.29	$ 40,426.91	$ 509,350.28	$ 251,259.53

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Business-Type Activities - Enterprise Fund					
	Food Service	Latchkey Program	Adult School	Summer Recreation	Kindergarten Care	Total Enterprise
OPERATING REVENUES:						
Charges for Services:						
Daily Sales - Reimbursable Programs	$ 162,884.01					$ 162,884.01
Daily Sales - Non-Reimbursable Programs	180,809.23					180,809.23
Community Service Activity		$ 294,775.25	$ 38,667.75	$ 103,189.74	$ 220,285.50	656,918.24
Total Operating Revenues	343,693.24	294,775.25	38,667.75	103,189.74	220,285.50	1,000,611.48
OPERATING EXPENSES:						
Salaries	188,363.38	306,978.12	25,408.59	98,361.54	117,899.88	737,011.51
Employee Benefits	55,900.51	18,990.99	1,940.45	8,800.42	8,945.17	94,577.54
Other Purchased Services	33,962.46	30,560.00	17,372.11			81,894.57
General Supplies	24,257.72	50,788.00		17,619.00	12,111.74	104,776.46
Miscellaneous	4,829.94					4,829.94
Depreciation	1,596.48					1,596.48
Cost of Sales-Reimbursable Programs	120,837.00					120,837.00
Cost of Sales-Non-Reimbursable Programs	67,403.24					67,403.24
Total Operating Expenses	497,150.73	407,317.11	44,721.15	124,780.96	138,956.79	1,212,926.74
Operating Income (Loss)	(153,457.49)	(112,541.86)	(6,053.40)	(21,591.22)	81,328.71	(212,315.26)
NONOPERATING REVENUES (EXPENSES):						
State Sources:						
State School Lunch Program	4,469.58					4,469.58
Federal Sources:						
National School Lunch Program	125,740.16					125,740.16
National Breakfast Program	8,032.05					8,032.05
National Snack Program	3,418.74					3,418.74
Food Distribution Program	29,842.58					29,842.58
Loss on Disposal of Capital Assets	(897.08)					(897.08)
Total Nonoperating Revenues (Expenses)	170,606.03	-	-	-	-	170,606.03
Change in Net Position	17,148.54	(112,541.86)	(6,053.40)	(21,591.22)	81,328.71	(41,709.23)
Total Net Position (Deficit) -- July 1	(357,979.21)	148,222.58	12,685.69	62,018.13	428,021.57	292,968.76
Total Net Position (Deficit) -- June 30	$ (340,830.67)	$ 35,680.72	$ 6,632.29	$ 40,426.91	$ 509,350.28	$ 251,259.53

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Business-Type Activities - Enterprise Funds					
	Food Service	Latchkey Program	Adult School	Summer Recreation	Kindergarten Care	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from Customers	$ 322,930.57	$ 292,971.25	$ 38,667.75	$ 119,251.60	$ 211,879.50	$ 985,700.67
Payments to Employees	(188,363.38)	(306,978.12)	(25,408.59)	(98,361.54)	(117,899.88)	(737,011.51)
Payments for Employee Benefits	(55,900.51)	(18,990.99)	(1,940.45)	(8,800.42)	(8,945.17)	(94,577.54)
Payments to Vendors	(222,025.19)	(81,348.00)	(17,372.11)	(17,619.00)	(12,111.74)	(350,476.04)
Net Cash Provided by (Used for) Operating Activities	(143,358.51)	(114,345.86)	(6,053.40)	(5,529.36)	72,922.71	(196,364.42)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
State Sources	4,502.57					4,502.57
Federal Sources	137,963.26					137,963.26
Net Cash Provided by Non-Capital Financing Activities	142,465.83	-	-	-	-	142,465.83
Net Increase (Decrease) in Cash and Cash Equivalents	(892.68)	(114,345.86)	(6,053.40)	(5,529.36)	72,922.71	(53,898.59)
Balances -- July 1	(379,543.29)	148,222.58	12,685.69	162,071.37	445,381.57	388,817.92
Balances -- June 30	$ (380,435.97)	$ 33,876.72	$ 6,632.29	$ 156,542.01	$ 518,304.28	$ 334,919.33
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	$ (153,457.49)	$ (112,541.86)	$ (6,053.40)	$ (21,591.22)	$ 81,328.71	$ (212,315.26)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:						
Depreciation and Net Amortization	1,596.48					1,596.48
Federal Commodities	29,842.58					29,842.58
(Increase) Decrease in Accounts Receivable, net	(16,567.47)	(1,804.00)				(18,371.47)
(Increase) Decrease in Inventories	(6,313.39)					(6,313.39)
Increase (Decrease) in Unearned Revenue	1,540.78			16,061.86	(8,406.00)	9,196.64
Total Adjustments	10,098.98	(1,804.00)	-	16,061.86	(8,406.00)	15,950.84
Net Cash Provided by (used for) Operating Activities	$ (143,358.51)	$ (114,345.86)	$ (6,053.40)	$ (5,529.36)	$ 72,922.71	$ (196,364.42)

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Private Purpose Trust Fund	Agency Funds		
	Unemployment Compensation Trust	Student Activity	Payroll	Total
ASSETS:				
Cash and Cash Equivalents	$ 567,348.79	$ 240,609.07	$ 75,386.14	$ 883,344.00
LIABILITIES:				
Payable to District (General Fund)			$ 1,087.70	1,087.70
Payable to Student Groups		$ 240,609.07		240,609.07
Payroll Deductions and Withholdings			74,298.44	74,298.44
Total Liabilities	-	$ 240,609.07	$ 75,386.14	315,995.21
NET POSITION:				
Held in Trust for Unemployment Claims and Other Purposes	$ 567,348.79			$ 567,348.79

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2019

	Private Purpose Trust Fund Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Plan member	$ 39,925.34
Investment earnings:	
Interest	2,774.31
Total Additions	42,699.65
DEDUCTIONS:	
Unemployment Claims	22,370.32
Change in Net Position	20,329.33
Net Position -- July 1	547,019.46
Net Position -- June 30	$ 567,348.79

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2019

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Haddon School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Camden, 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 member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Pre-K through twelve at its seven schools. The School District has an approximate enrollment at June 30, 2019 of 2,060.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

Component Units

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity,* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the School District has no component units.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the School District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Camden County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues 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 sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. 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. All items not meeting this definition are reported as non-operating revenues and expenses.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)

The School District reports the following major proprietary funds (enterprise funds):

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Latchkey Program Fund - This fund accounts for the financial activity related to providing after-school services.

Adult School Fund - This fund accounts for financial activity related to providing adult school services.

Summer Recreation – This fund accounts for financial activity related to providing summer recreation services.

Kindergarten Care – This fund accounts for financial activity related to providing kindergarten care services.

Additionally, the School District reports the following fund types.

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

Agency Funds - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

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

New Jersey Unemployment Compensation Insurance Trust Fund - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

As a general rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

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 property taxes.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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:23A-16.2(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:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund are maintained on the budgetary basis. The budgetary basis differs from GAAP in that the 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 accounting, as presented in the general fund budgetary comparison schedule 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 balances - 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 the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Encumbrances (Cont'd)

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, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

Inventories

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

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

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2019.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position as accounts receivable.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is $2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Furniture, Fixtures and Equipment	5 - 20 Years
Motor Vehicles	5 - 10 Years
Buildings and Improvements	10 - 50 Years
Land Improvements	10 - 20 Years

The School District does not possess any infrastructure assets.

Deferred Outflows and Deferred Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: gain on refunding of debt, defined benefit pension plans and postemployment benefit plans.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2019 and 2018 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2019, the amounts earned by these employees were disbursed to the employees' own individual accounts.

Compensated Absences

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is 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 School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

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, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, 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. Bonds are recognized as a liability on the governmental fund financial statements when due.

Net Position

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

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

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the 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.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

***Nonspendable* -** The nonspendable fund balance 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. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

***Restricted* -** The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

***Committed* -** The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, 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) it employed to previously commit those amounts.

***Assigned* -** The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

Accounting Estimates

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

Impact of Recently Issued Accounting Principles

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements that will become effective for the School District for fiscal years ending after June 30, 2019:

Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2020. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2021. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2019, the School District's bank balances of $4,117,305.11 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	$ 3,358,685.83
Uninsured and Uncollateralized	758,619.28
Total	$ 4,117,305.11

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of $1.00 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. On June 23, 2011, the Board approved an increase to the capital reserve account totaling $949,999.00, increasing the reserve balance to $950,000.00. On June 16, 2016, the Board approved an increase to the capital reserve totaling $200,000.00.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 fiscal 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 by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2018 to June 30, 2019 fiscal year is as follows:

Beginning Balance, July 1, 2018	$ 725,298.16
Increased by:	
Interest Earnings	3,856.88
	729,155.04
Decreased by:	
Withdrawals:	
Budget 2018-19 (May 3, 2019)	109,000.00
Ending Balance, June 30, 2019	$ 620,155.04

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

The capital reserve balance at June 30, 2019 is less than the local support costs of uncompleted capital projects in the District's approved LRFP. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2019 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey. Miscellaneous accounts receivable, in the proprietary funds, consisted of money due from various school organizations for catering services unpaid that will be collected in the subsequent school year. All of these fees are considered collectible by the District's management.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	Governmental Funds				Proprietary Funds			
Description	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Activities	Food Service Fund	Latchkey Program	Total Proprietary Funds	Total
Federal Awards		$ 326,692.00		$ 326,692.00	$ 9,084.71		$ 9,084.71	$ 335,776.71
State Awards	$ 404,402.56	5,532.44	$ 443,928.74	853,863.74	285.76		285.76	854,149.50
Miscellaneous	68,042.44			68,042.44	20,582.02	$ 1,804.00	22,386.02	90,428.46
Tuition Charges	13,235.00			13,235.00				13,235.00
Fiduciary Fund	1,087.70			1,087.70				1,087.70
	$ 486,767.70	$ 332,224.44	$ 443,928.74	$ 1,262,920.88	$ 29,952.49	$ 1,804.00	$ 31,756.49	$ 1,294,677.37

Note 5: INVENTORY

Inventory recorded at June 30, 2019 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	$ 11,770.55
Supplies	2,919.91
	$ 14,690.46

Note 6: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2019 is as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	$ 1,121,580.00			$ 1,121,580.00
Construction in Progress		$ 366,278.38		366,278.38
Total Capital Assets, not being Depreciated	1,121,580.00	366,278.38	$ -	1,487,858.38
Capital Assets, being Depreciated:				
Land Improvements	1,278,730.31	458,306.00		1,737,036.31
Buildings and Improvements	67,312,023.44			67,312,023.44
Furniture, Fixtures and Equipment	3,051,429.96	68,807.48	(19,529.00)	3,100,708.44
Motor Vehicles	913,397.06	125,583.00		1,038,980.06
Total Capital Assets, being Depreciated	72,555,580.77	652,696.48	(19,529.00)	73,188,748.25
Total Capital Assets, Cost	73,677,160.77	1,018,974.86	(19,529.00)	74,676,606.63
Less Accumulated Depreciation for:				
Land Improvements	820,207.32	57,020.47		877,227.79
Buildings and Improvements	14,159,891.45	2,628,969.96		16,788,861.41
Furniture, Fixtures and Equipment	1,146,070.18	126,902.99	(16,028.59)	1,256,944.58
Motor Vehicles	534,854.61	97,253.49		632,108.10
Total Accumulated Depreciation	16,661,023.56	2,910,146.91	(16,028.59)	19,555,141.88
Total Capital Assets, being Depreciated, Net	55,894,557.21	(2,257,450.43)	(3,500.41)	53,633,606.37
Governmental Activities Capital Assets, Net	$ 57,016,137.21	$ (1,891,172.05)	$ (3,500.41)	$ 55,121,464.75
Business-Type Activities:				
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	$ 175,873.00		$ (1,795.00)	$ 174,078.00
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	161,913.57	$ 1,596.48	(897.92)	162,612.13
Total Capital Assets, being Depreciated, Net	13,959.43	(1,596.48)	(897.08)	11,465.87
Business-Type Activities Capital Assets, Net	$ 13,959.43	$ (1,596.48)	$ (897.08)	$ 11,465.87

Note 6: CAPITAL ASSETS (CONT'D)

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

Governmental Activities:	
Regular Instruction	$ 74,246.61
Plant Operations and Maintenance	2,590,172.31
Pupil Transportation	81,002.56
Unallocated	164,725.43
Total Depreciation Expense - Governmental Activities	$ 2,910,146.91
Business-Type Activities:	
Food Service	$ 1,596.48

Note 7: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2019, the following changes occurred in long-term obligations for governmental activities:

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019	Due within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	$ 33,133,000.00	$ -	$ 1,475,000.00	$ 31,658,000.00	$ 1,495,000.00
Other Liabilities:					
Compensated Absences	771,586.00	30,739.45	149,091.45	653,234.00	65,323.40
Net Pension Liability (note 9)	10,697,539.00	5,455,174.00	7,117,027.00	9,035,686.00	
Total Other Liabilities	11,469,125.00	5,485,913.45	7,266,118.45	9,688,920.00	65,323.40
Governmental Activities Long-Term Liabilities	$ 44,602,125.00	$ 5,485,913.45	$ 8,741,118.45	$ 41,346,920.00	$ 1,560,323.40

The bonds payable are generally liquidated by the debt service fund, while compensated absences, net pension liability, and other postemployment benefits are liquidated by the general fund.

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

On December 3, 2014, the School District issued $31,123,000.00 general obligation school bonds at interest rates varying from 3.00% to 4.00% for various construction and renovation projects. The final maturity of these bonds is August 1, 2044. The bonds will be paid from property taxes.

On January 15, 2015, the School District issued $5,680,000.00 refunding school bonds at interest rates varying from 2.00% to 4.00% for a current refunding of the District's outstanding callable 2005 bonds. The final maturity of these bonds is August 15, 2022. The bonds will be paid from property taxes.

Note 7: LONG-TERM LIABILITIES (CONT'D)

Bonds Payable (Cont'd) - Principal and interest due on bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 1,495,000.00	$ 1,088,176.26	$ 2,583,176.26
2021	1,535,000.00	1,035,126.26	2,570,126.26
2022	1,555,000.00	980,476.26	2,535,476.26
2023	1,200,000.00	917,151.26	2,117,151.26
2024	1,225,000.00	880,776.26	2,105,776.26
2025-2029	6,485,000.00	3,832,231.30	10,317,231.30
2030-2034	6,745,000.00	2,792,365.63	9,537,365.63
2035-2039	6,230,000.00	1,629,125.00	7,859,125.00
2040-2044	4,500,000.00	547,600.00	5,047,600.00
2045	688,000.00	13,760.00	701,760.00
Total	$ 31,658,000.00	$ 13,716,788.23	$ 45,374,788.23

Bonds Authorized but not Issued - As of June 30, 2019, the School District had no authorizations to issue additional bonded debt.

Compensated Absences - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 14 for a description of the School District's policy.

Net Pension Liability - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Note 8: OPERATING LEASES

At June 30, 2019, the School District had operating lease agreements in effect for copy/printer machines and I-Pads. The present value of the future minimum rental payments under the operating lease agreements are as follows:

Fiscal Year Ending June 30,	Amount
2020	$ 322,913.38
2021	322,913.38
2022	74,327.95
2023	10,104.00
2024	842.00
	$ 731,100.71

Rental payments under operating leases for the fiscal year ended June 30, 2019 were $324,902.05.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This Plan is administered by Prudential Financial for the Division. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and TPAF plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
https://www.nj.gov/treasury/pensions/financial-reports.shtml

General Information about the Pension Plans

Plan Descriptions

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least $5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least $5,000.00 annually.

Note 9: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Vesting and Benefit Provisions

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

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
4	Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Public Employees' Retirement System - 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 the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

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 years or more 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.

Note 9: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Vesting and Benefit Provisions (Cont'd)

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy 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 7.50% in State fiscal year 2019. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions.*

The School District's contractually required contribution rate for the fiscal year ended June 30, 2019 was 13.37% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2019 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2019 was $1,974,088.00, and was paid by April 1, 2019. School District employee contributions to the Plan during the fiscal year ended June 30, 2019 were $1,117,429.35.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. 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 seven years beginning in July 2012. The member contribution rate was 7.50% in State fiscal year 2019. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) was 10%. Employer contribution amounts are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Note 9: PENSION PLANS (CONT'D)

General Information About the Pension Plans (Cont'd)

Contributions (Cont'd)

Public Employees' Retirement System (Cont'd) -The School District's contractually required contribution rate for the fiscal year ended June 30, 2019 was 9.65% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2018, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2019 was $456,466.00, and was paid by April 1, 2019. School District employee contributions to the Plan during the fiscal year ended June 30, 2019 were $230,405.49.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2019, employee contributions totaled $60,011.27 and the School District recognized pension expense, which equaled the required contributions, of $43,887.93. There were forfeitures totaling $7,425.73 during the fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Teachers' Pension and Annuity Fund - At June 30, 2019, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District	83,079,420.00
	$ 83,079,420.00

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. For the June 30, 2018 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2018, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For the June 30, 2018 measurement date, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.1305913626, which was a decrease of 0.0002944961% from its proportion measured as of June 30, 2017.

Note 9: PENSION PLANS (CONT'D)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Teachers' Pension and Annuity Fund (Cont'd) - For the fiscal year ended June 30, 2019, the School District recognized $4,843,240.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2018 measurement date.

Public Employees' Retirement System - At June 30, 2019, the School District reported a liability of $9,035,686.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2018 measurement date, the School District's proportion was 0.0458908809%, which was a decrease of 0.0000639037% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the School District recognized pension expense of $608,619.00, in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2018 measurement date.

At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 172,312.00	$ 46,591.00
Changes of Assumptions	1,488,931.00	2,889,132.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	84,755.00
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	462,823.00	458,663.00
School District Contributions Subsequent to the Measurement Date	292,784.00	-
	$ 2,416,850.00	$ 3,479,141.00

Note 9: PENSION PLANS (CONT'D)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Public Employees' Retirement System (Cont'd) - Deferred outflows of resources totaling $292,784.00, will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2020. 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,	
2020	$ 170,435.00
2021	(44,441.00)
2022	(702,758.00)
2023	(603,880.00)
2024	(174,431.00)
	$ (1,355,075.00)

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
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
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
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
Changes in Proportion and Differences between School District 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

Note 9: PENSION PLANS (CONT'D)

Actuarial Assumptions

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	TPAF	PERS
Inflation	2.25%	2.25%
Salary Increases:		
Through 2026	1.55% - 4.15% Based on Yrs. of Service	1.65% - 4.15% Based on Age
Thereafter	2.00% - 5.45% Based on Yrs. of Service	2.65% - 5.15% Based on Age
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2012 - June 30, 2015	July 1, 2011 - June 30, 2014

For TPAF, pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, set back 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement morality rates were based on the RP-2006 Healthy Annuitant White Collar Morality Tables, with adjustments as described in the latest experience study, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Disability mortality rates were based on the RP-2006 Disabled Retiree Mortality Tables with rates adjusted by 90%. No morality improvement is assumed for disabled retiree morality.

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent modified 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2018) 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.

Note 9: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd) - Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of June 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	100.00%	

Discount Rate - The discount rates used to measure the total pension liability at June 30, 2018 were 4.86% and 5.66% for TPAF and PERS, respectively. For TPAF and PERS, the respective single blended discount rates were based on the long-term expected rate of return on pension Plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates 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 made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined amount for TPAF and PERS and the local employers contributed 100% of the actuarially determined amount for PERS. 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 2040 for TPAF and 2046 for PERS. Therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2040 for TPAF and 2046 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Note 9: PENSION PLANS (CONT'D)

Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned, TPAF, has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2018, the Plan's measurement date, attributable to the School District is $0, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 4.86%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	TPAF		
	1% Decrease (3.86%)	Current Discount Rate (4.86%)	1% Increase (5.86%)
School District's Proportionate Share of the Net Pension Liability	$ -	$ -	$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	98,198,297.00	83,079,420.00	70,546,240.00
	$ 98,198,297.00	$ 83,079,420.00	$ 70,546,240.00

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2018, the Plan's measurement date, calculated using a discount rate of 5.66%, 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% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (4.66%)	Current Discount Rate (5.66%)	1% Increase (6.66%)
School District's Proportionate Share of the Net Pension Liability	$ 11,361,334.00	$ 9,035,686.00	$ 7,084,616.00

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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. For additional information about TPAF and PERS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at https://www.nj.gov/treasury/pensions/financial-reports.shtml.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN

General Information about the OPEB Plan

Plan Description and Benefits Provided - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75 - *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publically available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
https://www.nj.gov/treasury/pensions/financial-reports.shtml

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

Employees Covered by Benefit Terms - At June 30, 2018, the OPEB Plan's Measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	145,050
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	362,181

Total Non-Employer OPEB Liability

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)

Total Non-Employer OPEB Liability (Cont'd)

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2019 was $72,286,641.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total Non-Employer OPEB Liability.

The total Non-Employer OPEB Liability was measured as of June 30, 2018, and was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. For the June 30, 2018 measurement date, the State's proportionate share of the Non-Employer OPEB Plan Liability associated with the School District was 0.1567671550%, which was an increase of 0.0000837176% from its proportion measured as of June 30, 2017.

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2017 used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases -

	TPAF/ABP (1)	PERS (2)	PFRS (2)
Through 2026	1.55% - 4.55%	2.15% - 4.15%	2.10% - 8.98%
Thereafter	2.00% - 5.45%	3.15% - 5.15%	3.10% - 9.98%

(1) - Based on years of service
(2) - Based on age

Inflation Rate - 2.50%.

Mortality Rates - Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Experience Studies - The actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 - June 30, 2015, July 1, 2011 - June 30, 2014, and July 1, 2010 - June 30, 2013 for TPAF, PERS and PFRS, respectively. 100% of all retirees who currently have healthcare coverage were assumed to continue with that coverage. 100% of active members were considered to participate in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

Health Care Trend Assumptions - For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)

Total Non-Employer OPEB Liability (Cont'd)

Discount Rate - The discount rate for June 30, 2018 was 3.87%. 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.

Changes in the Total Non-Employer OPEB Liability

The below table summarizes the State's proportionate share of the change in the Total Non-Employer OPEB Liability associated with the School District:

Balance at June 30, 2018		$ 84,044,748.00
Changes for the Year:		
Service Cost	$ 2,624,942.00	
Interest Cost	3,069,665.00	
Difference Between Expected and Actual Experience	(7,291,346.00)	
Changes in Assumptions	(8,295,254.00)	
Gross Benefit Payments	(1,932,919.00)	
Member Contributions	66,805.00	
Net Changes		(11,758,107.00)
Balance at June 30, 2019		$ 72,286,641.00

There were no changes in benefit terms between the June 30, 2017 measurement date and the June 30, 2018 measurement date.

Differences between expected and actual experience reflect a decrease in liability from June 30, 2017 to June 30, 2018 is due to changes in the census, claims and premiums experience.

Changes of Assumptions reflect a decrease in the liability from June 30, 2017 to June 30, 2018 due to the increase in the assumed discount rate from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018; and a decrease in the assumed health care cost trend and excise tax assumptions.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total Non-Employer OPEB Liability as of June 30, 2018, associated with the School District, using a discount rate of 3.87%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	$ 85,457,525.00	$ 72,286,641.00	$ 61,817,149.00

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)

Changes in the Total Non-Employer OPEB Liability (Cont'd)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total Non-Employer OPEB Liability as of June 30, 2018, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	$ 59,749,119.00	$ 72,286,641.00	$ 88,867,994.00

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

For the fiscal year ended June 30, 2019, the School District recognized $2,832,052.00, in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB Expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2018 measurement date.

In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District. However, at June 30, 2019, the State's proportionate share of the total Non-Employer OPEB Liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Proportion	$ 44,936.00	$ 192,351.00
Difference Between Expected and Actual Experience	-	7,017,033.00
Changes of Assumptions	-	16,203,420.00
	$ 44,936.00	$ 23,412,804.00

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)

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

Year Ending June 30,	
2020	$ (2,875,758.00)
2021	(2,875,758.00)
2022	(2,875,758.00)
2023	(2,875,758.00)
2024	(2,875,758.00)
Thereafter	(8,989,078.00)
	$ (23,367,868.00)

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2019, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were $2,641,186.00, $55,287.00, $1,223,116.00, and $2,995.00, respectively.

Note 12: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

The following is a summary of the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

Fiscal Year Ended June 30,	Board/ Employee Contributions	Interest Income	Claims Incurred	Ending Balance
2019	$ 39,925.34	$ 2,774.31	$ 22,370.32	$ 567,348.79
2018	44,853.49	2,017.96	40,882.91	547,019.46
2017	61,265.78	1,557.20	30,909.74	541,030.92

Note 12: RISK MANAGEMENT (CONT'D)

Joint Insurance Fund - The School District is a member of the Burlington County Insurance Pool Joint Insurance Fund (the "Fund"). The Fund provides its members with the following coverage:

Property (Including Auto Physical Damage)
Boiler and Machinery
Crime
General and Automobile Liability
Workers' Compensation
Educator's Legal Liability
Pollution Legal Liability
Cyber Liability
Violent Malicious Acts
Disaster Management Services

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
Excess General Liability
Non-Owned Aircraft Liability
Excess Auto Liability
Fidelity and Performance (Blanket)
Excess Property including Boiler and Machinery
Crime including Excess Public Employee and Public Official Coverage

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The School District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2018, which can be obtained from:

Burlington County Insurance Pool Joint Insurance Fund
6000 Sagemore Drive, Suite 6203
Marlton, New Jersey 08053

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of four deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit 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 Planning
Siracusa Benefits Program
Midland National Life Insurance Company
Equitable

Note 14: COMPENSATED ABSENCES

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days that may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2019, the liability for compensated absences reported on the government-wide statement of net position was $653,234.00.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfunds - The composition of interfund balances as of June 30, 2019 is as follows:

Fund	Interfunds Receivable	Interfunds Payable
General	$ 660,631.82	
Special Revenue		$ 94,189.49
Capital Projects		565,354.63
Fiduciary		1,087.70
	$ 660,631.82	$ 660,631.82

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2020, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Transfers -

	Transfer In:
	Capital Projects Fund
Transfer Out:	
General Fund	$ 109,000.00

The purpose of the transfer was to increase the amount of funds available in order to complete the voter approved capital projects.

Note 16: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

Litigation - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 17: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 18: FUND BALANCES

NONSPENDABLE

As stated in note 1, the nonspendable fund balance 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. The nonspendable fund balances of the School District, as of June 30, 2019, are summarized as follows:

General Fund - The School District disbursed funds in 2018-19 that were for the subsequent year's budget. As a result, because the prepaid expense is recorded as an asset, it is necessary to set aside fund balance at fiscal year-end by an amount equal to the prepayment. As of June 30, 2019, the nonspendable fund balance was $69,141.23.

RESTRICTED

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general 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, 2019 is $120,731.64. Excess fund balance - budgetary basis (Exhibit C-1) at June 30, 2019 is $899,296.64. Additionally, $999,765.00 of excess fund balance generated during 2017-2018 has been restricted and designated for utilization in the 2019-2020 budget.

For Capital Reserve Account - As of June 30, 2019, the balance in the capital reserve account is $620,155.04. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

Note 18: FUND BALANCES (CONT'D)

RESTRICTED (CONT'D)

General Fund (Cont'd)

For Maintenance Reserve Account - As of June 30, 2019, the balance in the maintenance reserve account is $25,692.27. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

For Emergency Reserve - As of June 30, 2019, the balance in the emergency reserve is $62,802.77. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the restricted fund balance is not permitted to exceed $250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of $1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year-end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

Capital Projects Fund - On December 3, 2014, the School District issued $31,123,000.00 of general obligation bonds pursuant to: (i) Chapter 24 of Title 18A of the New Jersey Statutes, as amended and supplemented ("School Bond Law") and (ii) a (1) resolution adopted by the Board on October 16, 2014. The Bonds were authorized by a proposal adopted by the Board on July 24, 2014 and approved by the voters of the School District at a special election held on September 30, 2014. The bond issuance was approved by the voters for various school facilities projects. As of June 30, 2019, there was no restricted fund balance.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. The School District has not appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2020 budget, debt service fund balance at June 30, 2019 of $.89.

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2020, $1.00 of general fund balance at June 30, 2019.

Other Purposes - As of June 30, 2019, the School District had $1,544.65 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2019, $1,030,346.26 of general fund balance was unassigned.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 23,434,806.00		$ 23,434,806.00	$ 23,434,806.00	
Tuition	96,250.00		96,250.00	121,860.00	$ 25,610.00
Miscellaneous	457,715.00		457,715.00	950,043.09	492,328.09
Interest Earned on Current Expense Emergency Reserve	750.00		750.00	373.34	(376.66)
Interest Earned on Maintenance Reserve	150.00		150.00	146.88	(3.12)
Interest Earned on Capital Reserve Funds	5,700.00		5,700.00	3,856.88	(1,843.12)
Total - Local Sources	23,995,371.00	$ -	23,995,371.00	24,511,086.19	515,715.19
State Sources:					
Equalization Aid	7,088,284.00		7,088,284.00	7,088,284.00	
Categorical Special Education Aid	1,181,261.00	(70,669.00)	1,110,592.00	1,110,592.00	
Categorical Security Aid	44,199.00	(44,199.00)			
Categorical Transportation Aid	244,759.00	(244,759.00)			
Extraordinary Aid				342,436.00	342,436.00
Additional N.J. Nonpublic School Transportation Aid				10,440.00	10,440.00
On-Behalf T.P.A.F. Post Retirement Medical Contributions (non-budgeted)				1,223,116.00	1,223,116.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				2,641,186.00	2,641,186.00
On-Behalf T.P.A.F. Non-Contributary Insurance (non-budgeted)				55,287.00	55,287.00
On-Behalf T.P.A.F. Long-Term Disability Insurance Contributions (non-budgeted)				2,995.00	2,995.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,048,607.07	1,048,607.07
Total - State Sources	8,558,503.00	(359,627.00)	8,198,876.00	13,522,943.07	5,324,067.07
Federal Sources:					
Medicaid Reimbursement	26,309.00	-	26,309.00	37,803.52	11,494.52
Total - Federal Sources	26,309.00	-	26,309.00	37,803.52	11,494.52
Total Revenues	32,580,183.00	(359,627.00)	32,220,556.00	38,071,832.78	5,851,276.78

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	$ 154,958.00	$ (39.99)	$ 154,918.01	$ 154,918.01	
Kindergarten	289,838.00	(36,768.84)	253,069.16	253,069.16	
Grades 1-5	3,211,118.00	(28,248.04)	3,182,869.96	3,182,869.96	
Grades 6-8	2,142,206.00	(70,516.02)	2,071,689.98	2,071,689.98	
Grades 9-12	3,556,697.00	14,119.76	3,570,816.76	3,570,816.76	
Regular Programs - Home Instruction:					
Salaries of Teachers	18,018.00	(7,369.12)	10,648.88	10,648.88	
Other Purchased Services	6,500.00	2,946.22	9,446.22	9,446.22	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	42,095.00	26,538.24	68,633.24	68,633.24	
Purchased Professional - Educational Services	26,800.00	(8,793.65)	18,006.35	17,148.39	$ 857.96
Other Purchase Services	91,000.00	2,845.85	93,845.85	93,845.85	
Travel	4,032.00	(1,896.25)	2,135.75	2,135.75	
General Supplies	620,875.00	(87,675.16)	533,199.84	532,928.36	271.48
Textbooks	81,680.00	(51,311.68)	30,368.32	30,368.32	
Other Objects	2,320.00	(2,320.00)			
Total Regular Programs	10,248,137.00	(248,488.68)	9,999,648.32	9,998,518.88	1,129.44
Special Education - Instruction:					
Learning and / or Language Disabilities:					
Salaries of Teachers	221,219.00	(2,851.00)	218,368.00	218,368.00	
Other Salaries for Instruction	517,889.00	(231,414.71)	286,474.29	286,474.29	
General Supplies	4,400.00	646.23	5,046.23	4,946.23	100.00
Total Learning and / or Language Disabilities	743,508.00	(233,619.48)	509,888.52	509,788.52	100.00

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Resource Room / Resource Center:					
Salaries of Teachers	$ 1,395,974.00	$ (1,441.30)	$ 1,394,532.70	$ 1,394,532.70	
Other Salaries for Instruction	295,573.00	306,417.91	601,990.91	601,990.91	
General Supplies	17,000.00	(1,487.31)	15,512.69	15,475.62	$ 37.07
Total Resource Room / Resource Center	1,708,547.00	303,489.30	2,012,036.30	2,011,999.23	37.07
Preschool Disabilities - Part-Time:					
Salaries of Teachers	104,818.00	(2,000.00)	102,818.00	102,818.00	
Other Salaries for Instruction	79,952.00	(6,709.56)	73,242.44	73,242.44	
General Supplies	4,000.00	(2,878.70)	1,121.30	1,121.30	
Total Preschool Disabilities - Part-Time	188,770.00	(11,588.26)	177,181.74	177,181.74	-
Home Instruction:					
Salaries of Teachers	13,200.00	37,988.11	51,188.11	51,188.11	
Other Purchased Services	23,350.00	(15,106.20)	8,243.80	8,243.80	
Total Home Instruction	36,550.00	22,881.91	59,431.91	59,431.91	-
Total Special Education - Instruction	2,677,375.00	81,163.47	2,758,538.47	2,758,401.40	137.07
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	462,018.00	(149,163.78)	312,854.22	309,777.70	3,076.52
Other Purchased Services	8,500.00	5,517.47	14,017.47	14,017.47	
General Supplies	12,000.00	(2,898.33)	9,101.67	9,101.67	
Total Basic Skills / Remedial - Instruction	482,518.00	(146,544.64)	335,973.36	332,896.84	3,076.52

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Bilingual Education - Instruction:					
Salaries of Teachers	$ 97,387.00	$ (9,108.00)	$ 88,279.00	$ 88,279.00	
Other Purchase Services	500.00	(467.31)	32.69	32.69	
General Supplies	3,000.00	(2,568.40)	431.60	431.60	
Textbooks	1,000.00	(1,000.00)			
Total Bilinqual Education - Instruction	101,887.00	(13,143.71)	88,743.29	88,743.29	$ -
School Sponsored Co / Extra-Curricular Activities - Instruction:					
Salaries	130,661.00	(9,706.73)	120,954.27	120,954.27	
Supplies and Materials	48,973.00	(13,413.44)	35,559.56	35,559.56	
Other Objects	3,485.00	(1,187.60)	2,297.40	2,297.40	
Total School Sponsored Cocurricular Activities - Instruction	183,119.00	(24,307.77)	158,811.23	158,811.23	-
School Sponsored Athletics - Instruction:					
Salaries	422,332.00	(62,287.99)	360,044.01	360,044.01	
Other Purchased Services	12,800.00	1,550.25	14,350.25	14,350.25	
Supplies and Materials	77,425.00	(4,859.44)	72,565.56	72,565.56	
Other Objects	86,519.00	15,202.90	101,721.90	101,637.90	84.00
Total School Sponsored Athletics - Instruction	599,076.00	(50,394.28)	548,681.72	548,597.72	84.00
Summer School:					
Instruction:					
Salaries of Teachers	22,657.00	(17,342.25)	5,314.75	5,314.75	
Salaries - Other Instruction	9,297.00	19,673.16	28,970.16	28,970.16	
Other Purchased Services	1,700.00	3,272.72	4,972.72	4,972.72	
Supplies and Materials	300.00	(300.00)			
Support Services:					
Salaries	5,706.00	(3,360.55)	2,345.45	2,345.45	
Total Summer School	39,660.00	1,943.08	41,603.08	41,603.08	-
Total Instruction	14,331,772.00	(399,772.53)	13,931,999.47	13,927,572.44	4,427.03

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular		$ 40,407.00	$ 40,407.00	$ 40,407.00	
Tuition to Other LEAs Within the State-Special	$ 25,403.00	25,409.47	50,812.47	47,725.65	$ 3,086.82
Tuition to County Vocational - Regular	29,385.00	11,115.00	40,500.00	40,500.00	
Tuition to CSSD and Regular Day Schools	379,882.00	16,416.80	396,298.80	395,053.72	1,245.08
Tuition to Private Schools for the Disabled - Within State	922,255.00	45,592.74	967,847.74	960,676.37	7,171.37
Total Undistributed Expenditures - Instruction	1,356,925.00	138,941.01	1,495,866.01	1,484,362.74	11,503.27
Undistributed Expenditures - Attendance and Social Work:					
Salaries	123,918.00	(23,495.12)	100,422.88	100,422.88	
Total Undistributed Expenditures - Attendance and Social Work	123,918.00	(23,495.12)	100,422.88	100,422.88	-
Undistributed Expenditures - Health Services:					
Salaries	349,187.00	(273.30)	348,913.70	348,913.70	
Other Purchased Services	17,800.00	220.00	18,020.00	18,020.00	
Travel	1,500.00	(936.00)	564.00	564.00	
Supplies and Materials	17,525.00	(6,876.41)	10,648.59	10,648.59	
Other Objects	250.00	671.25	921.25	921.25	
Total Undistributed Expenditures - Health Services	386,262.00	(7,194.46)	379,067.54	379,067.54	-
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Salaries	370,450.00	(33,354.00)	337,096.00	337,096.00	
Purchased Professional - Educational Services	595,447.50	159,453.17	754,900.67	721,235.35	33,665.32
Total Undistributed Expenditures - Other Support Services - Students - Related Services	965,897.50	126,099.17	1,091,996.67	1,058,331.35	33,665.32

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services -					
Students - Extraordinary Service:					
Purchased Professional- Educational Services	$ 342,014.00	$ (30,871.50)	$ 311,142.50	$ 242,052.50	$ 69,090.00
Total Undistributed Expenditures - Extraordinary Service	342,014.00	(30,871.50)	311,142.50	242,052.50	69,090.00
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	441,279.00	(3,162.49)	438,116.51	438,064.86	51.65
Salaries of Secretarial and Clerical Assistants	93,403.00	3,412.02	96,815.02	96,815.00	0.02
Other Purchased Services	2,400.00	(1,414.48)	985.52	948.00	37.52
Supplies and Materials	14,034.00	(4,257.49)	9,776.51	9,776.51	
Other Objects	21,000.00	(5,912.47)	15,087.53	15,087.53	
Total Undistributed Expenditures - Guidance	572,116.00	(11,334.91)	560,781.09	560,691.90	89.19
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	740,537.00	2,381.00	742,918.00	742,918.00	
Salaries of Secretarial and Clerical Assistants	84,307.00		84,307.00	84,307.00	
Purchased Professional- Educational Services	12,290.00	10,068.33	22,358.33	22,358.33	
Miscellaneous Purchased Services (400-500 Series other than Residential Costs)	12,700.00	2,049.00	14,749.00	14,749.00	
Supplies and Materials	8,100.00	(2,121.04)	5,978.96	5,887.01	91.95
Total Undistributed Expenditures - Child Study Teams	857,934.00	12,377.29	870,311.29	870,219.34	91.95
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	206,707.00	(3,636.67)	203,070.33	202,720.05	350.28
Salaries of Other Professional Staff	43,558.00	(18,089.23)	25,468.77	20,298.70	5,170.07
Salaries of Secretarial and Clerical Assistants	41,494.00	(633.90)	40,860.10	40,859.14	0.96
Other Objects	2,700.00	(640.00)	2,060.00	2,060.00	
Total Undistributed Expenditures - Improvement of Instruction Services	294,459.00	(22,999.80)	271,459.20	265,937.89	5,521.31

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	$ 236,715.00	$ (28,695.71)	$ 208,019.29	$ 208,019.29	
Other Purchased Services	124,950.00	19,948.85	144,898.85	144,898.85	
Supplies and Materials	23,394.00	(8,173.76)	15,220.24	15,220.24	
Other Objects	350.00	(285.00)	65.00	65.00	
Total Undistributed Expenditures - Educational Media Services / School Library	385,409.00	(17,205.62)	368,203.38	368,203.38	$ -
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	51,676.00	(724.06)	50,951.94	50,679.95	271.99
Salaries - Other Professional Staff	6,797.00	7,937.48	14,734.48	14,734.48	
Salaries of Secretarial and Clerical Assistants	10,107.00		10,107.00	9,913.93	193.07
Purchased Professional- Educational Services	25,000.00	(15,731.25)	9,268.75	9,268.75	
Other Purchased Services	1,000.00		1,000.00	800.00	200.00
Travel	20,000.00	(9,430.95)	10,569.05	9,235.32	1,333.73
Supplies and Materials	5,000.00	(4,577.60)	422.40	336.68	85.72
Other Objects	2,200.00	(1,672.81)	527.19		527.19
Total Undistributed Expenditures - Instructional Staff Training Services	121,780.00	(24,199.19)	97,580.81	94,969.11	2,611.70

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	$ 224,157.00	$ 70.00	$ 224,227.00	$ 224,227.00	
Legal Services	35,000.00	(7,070.54)	27,929.46	17,029.00	$ 10,900.46
Audit Fees	39,000.00	1,500.00	40,500.00	40,500.00	
Architectural/Engineering Services	5,000.00	(1,030.00)	3,970.00		3,970.00
Other Purchased Professional Services	900.00		900.00	850.00	50.00
Communications/Telephone	32,000.00	67,274.03	99,274.03	96,918.24	2,355.79
BOE Other Purchased Services	3,300.00	440.73	3,740.73	3,327.33	413.40
Other Purchased Services	104,053.00	914.22	104,967.22	104,549.56	417.66
General Supplies	3,400.00	(378.73)	3,021.27	3,021.27	
BOE In-House Training and Meeting Supplies	3,000.00	(210.00)	2,790.00	2,700.00	90.00
Miscellaneous Expenditures	15,000.00		15,000.00	1,667.69	13,332.31
BOE Membership Dues and Fees	15,000.00		15,000.00	14,554.95	445.05
Total Undistributed Expenditures - Support Services - General Administration	479,810.00	61,509.71	541,319.71	509,345.04	31,974.67
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	1,071,387.00	(27,161.09)	1,044,225.91	1,035,130.88	9,095.03
Salaries of Other Professional Staff	501,891.00	(358,885.80)	143,005.20	138,837.78	4,167.42
Salaries of Secretarial and Clerical Assistants	79,999.00	379,400.87	459,399.87	459,399.87	
Other Purchased Services	15,995.00	6,646.02	22,641.02	22,299.12	341.90
Travel	3,500.00		3,500.00	275.00	3,225.00
Supplies and Materials	26,556.00		26,556.00	24,377.42	2,178.58
Other Objects	15,500.00		15,500.00	11,553.14	3,946.86
Total Undistributed Expenditures - Support Services - School Administration	1,714,828.00	-	1,714,828.00	1,691,873.21	22,954.79

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures- Support Services- Central Services:					
Salaries	$ 357,604.00	$ (555.98)	$ 357,048.02	$ 357,048.02	
Purchased Technical Services	37,243.00		40,518.22	40,106.87	$ 411.35
Miscellaneous Purchased Services	3,987.00	681.69	4,668.69	4,416.13	252.56
Supplies and Materials	11,350.00	(3,218.34)	8,131.66	8,131.66	
Miscellaneous Expenditures	3,000.00	(182.59)	2,817.41	2,750.00	67.41
Total Undistributed Expenditures- Support Services- Central Services	413,184.00	-	413,184.00	412,452.68	731.32
Undistributed Expenditures- Support Services- Administration					
Information Technology:					
Salaries	218,070.00	(12,473.67)	205,596.33	194,192.34	11,403.99
Purchased Technical Services	16,000.00		16,000.00	14,032.00	1,968.00
Other Purchased Services	7,213.00		7,213.00	6,380.00	833.00
Total Undistributed Expenditures- Support Services- Administration Information Technology	241,283.00	(12,473.67)	228,809.33	214,604.34	14,204.99
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	234,242.00	(14,480.34)	219,761.66	219,761.58	0.08
Cleaning, Repair and Maintenance Services	144,259.00	1,439.76	145,698.76	142,045.73	3,653.03
General Supplies	70,051.67	(11,596.97)	58,454.70	58,093.66	361.04
Other Objects	14,000.00	(8,929.00)	5,071.00	5,071.00	
Total Undistributed Expenditures - Required Maintenance for School Facilities	462,552.67	(33,566.55)	428,986.12	424,971.97	4,014.15

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Custodial Services:					
Salaries	$ 1,163,673.00	$ (141,766.60)	$ 1,021,906.40	$ 1,021,906.40	
Salaries of Non-Instructional Aides	224,948.00	34,475.91	259,423.91	259,423.91	
Cleaning, Repair, and Maintenance Service	81,602.00	(25,424.21)	56,177.79	56,177.79	
Other Purchased Property Services	65,044.00	614.73	65,658.73	65,658.73	
Insurance	73,732.00		73,732.00	73,732.00	
Miscellaneous Purchased Services	36,279.00	1,377.36	37,656.36	37,656.36	
General Supplies	93,240.00	(36,423.33)	56,816.67	56,816.67	
Energy (Natural Gas)	109,073.00	(9,244.49)	99,828.51	99,828.51	
Energy (Electricity)	450,000.00	97,552.96	547,552.96	547,552.96	
Other Objects	5,700.00	(4,870.91)	829.09	829.09	
Total Undistributed Expenditures - Custodial Services	2,303,291.00	(83,708.58)	2,219,582.42	2,219,582.42	$ -
Undistributed Expenditures - Care & Upkeep of Grounds:					
Salaries	195,787.00	6,085.35	201,872.35	201,872.35	
Cleaning, Repair, and Maintenance Service	110,253.00	(8,823.03)	101,429.97	96,302.97	5,127.00
General Supplies	104,805.00	(12,906.94)	91,898.06	85,287.75	6,610.31
Miscellaneous Expenditures	3,000.00	(2,389.02)	610.98		610.98
Total Undistributed Expenditures - Care & Upkeep of Grounds	413,845.00	(18,033.64)	395,811.36	383,463.07	12,348.29
Undistributed Expenditures - Security:					
Salaries	50,093.00	(10,093.05)	39,999.95	39,999.95	-
Total Undistributed Expenditures - Security	50,093.00	(10,093.05)	39,999.95	39,999.95	-

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Student Transportation Services:					
Salaries of Non-Instructional Aides	$ 119,478.00	$ (56,217.46)	$ 63,260.54	$ 63,260.54	
Salaries for Pupil Transportation (Between Home & School) - Regular	256,472.00	30,865.67	287,337.67	287,337.67	
Salaries for Pupil Transportation (Between Home & School) - Special	208,013.00	7,447.84	215,460.84	215,460.84	
Salaries for Pupil Transportation- Other than Between Home & School		35,784.42	35,784.42	35,784.42	
Cleaning, Repair, and Maintenance Service	1,000.00	(1,000.00)			
Contracted Services - (Special Education Students) -ESCs & CTSAs	213,500.00	47,845.31	261,345.31	261,345.31	
Contracted Services - Aid In Lieu of Payments - Nonpublic Schools	42,000.00	(9,866.29)	32,133.71	32,133.71	
Contracted Services (Between Home and School) - Joint Agreements		2,050.28	2,050.28	2,050.28	
Miscellaneous Purchased Services-Transportation	29,115.00	(5,397.94)	23,717.06	23,717.06	
Supplies and Materials	500.00	(500.00)			
Transportation Supplies	65,000.00	10,482.89	75,482.89	75,482.89	
Total Undistributed Expenditures - Student Transportation Services	935,078.00	61,494.72	996,572.72	996,572.72	$ -
Undistributed Expenditures - Unallocated Benefits - Employee Benefits:					
Social Security Contributions - Other	506,258.00	(27,540.27)	478,717.73	478,351.66	366.07
Other Retirement Contributions - PERS	480,775.00	26,921.19	507,696.19	507,696.19	
Unemployment Compensation	1,000.00	(1,000.00)			
Workers Compensation	174,732.00	1.00	174,733.00	174,733.00	
Health Benefits	5,205,082.00	(88,790.01)	5,116,291.99	5,065,482.94	50,809.05
Tuition Reimbursements	50,000.00		50,000.00	50,000.00	
Other Employee Benefits	451,849.00	76,507.81	528,356.81	528,356.81	
Total Undistributed Expenditures - Unallocated Benefits - Employee Benefits	6,869,696.00	(13,900.28)	6,855,795.72	6,804,620.60	51,175.12
On-Behalf T.P.A.F. Post Retirement Medical Contributions (non-budgeted)				1,223,116.00	(1,223,116.00)
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				2,641,186.00	(2,641,186.00)
On-Behalf T.P.A.F. Non-Contributary Insurance (non-budgeted)				55,287.00	(55,287.00)
On-Behalf T.P.A.F. Long-Term Disability Insurance Contributions (non-budgeted)				2,995.00	(2,995.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,048,607.07	(1,048,607.07)
Total On-behalf Contributions	-	-	-	4,971,191.07	(4,971,191.07)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Total Undistributed Expenditures	$ 19,290,375.17	$ 91,345.53	$ 19,381,720.70	$ 24,092,935.70	$ (4,711,215.00)
Interest Earned on Maintenance Reserve	150.00		150.00		150.00
Interest Earned on Current Expense - Emergency Reserve	750.00		750.00		750.00
Total Current Expense	33,623,047.17	(308,427.00)	33,314,620.17	38,020,508.14	(4,705,887.97)
Capital Outlay:					
Interest Deposit to Capital Reserve	5,700.00	-	5,700.00	-	5,700.00
Equipment:					
Undistributed Expenditures:					
Required Maintenance for School Facilities	105,000.00	(51,200.00)	53,800.00	53,799.92	0.08
Student Transportation:					
Non-Instructional Equipment	19,015.00		19,015.00	18,069.90	945.10
School Buses - Regular	128,629.00		128,629.00	125,582.62	3,046.38
Total Equipment	252,644.00	(51,200.00)	201,444.00	197,452.44	3,991.56
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	8,500.00		8,500.00	5,737.48	2,762.52
Other Purchased Professional and Technical Services	706,639.00		706,639.00	458,306.00	248,333.00
Assessment for Debt Service on SDA Funding	53,700.00		53,700.00	53,700.00	
	768,839.00	-	768,839.00	517,743.48	251,095.52
Total Capital Outlay	1,027,183.00	(51,200.00)	975,983.00	715,195.92	260,787.08
Total Expenditures	34,650,230.17	(359,627.00)	34,290,603.17	38,735,704.06	(4,445,100.89)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,070,047.17)	-	(2,070,047.17)	(663,871.28)	1,406,175.89
Other Financing Sources (Uses):					
Capital Reserve Transferred to Capital Projects Fund				(109,000.00)	(109,000.00)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ (2,070,047.17)	$ -	$ (2,070,047.17)	$ (772,871.28)	$ 1,297,175.89
Fund Balances, July 1	4,481,616.14	-	4,481,616.14	4,481,616.14	-
Fund Balances, June 30	$ 2,411,568.97	$ -	$ 2,411,568.97	$ 3,708,744.86	$ 1,297,175.89

RECAPITULATION:		
Non-Spendable Fund Balance:		
Prepaid Expenses		$ 69,141.23
Restricted Fund Balance:		
Capital Reserve	$ 620,155.04	
Maintenance Reserve	25,692.27	
Current Expense Emergency Reserve	62,802.77	
Excess Surplus (2018-19)	899,296.64	
Reserve for Excess Surplus (2017-18) - Designated for Subsequent Year's Expenditures	999,765.00	
		2,607,711.72
Assigned Fund Balance:		
Year-End Encumbrances	1,544.65	
Designated for Subsequent Year's Expenditures	1.00	
		1,545.65
Unassigned Fund Balance		1,030,346.26
		3,708,744.86
Reconciliation to Governmental Funds Statements (GAAP):		
Last State Aid Payment not recognized on GAAP Basis		(778,565.00)
Fund Balance per Governmental Funds (GAAP)		$ 2,930,179.86

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
State Sources:					
Nonpublic Aid	$ 483,506.00	$ 148,333.00	$ 631,839.00	$ 546,335.60	$ (85,503.40)
Total - State Sources	483,506.00	148,333.00	631,839.00	546,335.60	(85,503.40)
Federal Sources:					
No Child Left Behind					
Title I	126,979.00	42,920.00	169,899.00	141,143.13	(28,755.87)
Title IIA	39,189.00	21,476.00	60,665.00	47,730.63	(12,934.37)
Title III		5,371.00	5,371.00	5,371.00	
Title III - Immigrant		1,813.00	1,813.00	310.88	(1,502.12)
I.D.E.A., Part B	511,581.00	162,720.00	674,301.00	584,798.25	(89,502.75)
I.D.E.A., Part B, Preschool Incentive		17,156.00	17,156.00	17,156.00	
Total - Federal Sources	677,749.00	251,456.00	929,205.00	796,509.89	(132,695.11)
Total Revenues	1,161,255.00	399,789.00	1,561,044.00	1,342,845.49	(218,198.51)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Instruction:					
Salaries of Teachers	$ 190,360.00	$ (1,187.00)	$ 189,173.00	$ 138,306.66	$ 50,866.34
Purchased Professional - Technical Services	21,156.00		21,156.00	18,031.00	3,125.00
Other Purchased Services (400-500 series)	479,967.00		479,967.00	479,967.00	
General Supplies	22,014.00	194,826.00	216,840.00	200,013.23	16,826.77
Textbooks	49,404.00	4,850.00	54,254.00	52,813.87	1,440.13
Total Instruction	762,901.00	198,489.00	961,390.00	889,131.76	72,258.24
Support Services:					
Salaries	99,720.00	64,549.00	164,269.00	145,520.20	18,748.80
Personal Services - Employee Benefits	51,230.00	31,073.64	82,303.64	51,500.37	30,803.27
Purchased Professional - Technical Services	33,427.00	(400.00)	33,027.00	29,177.00	3,850.00
Other Purchased Services (400-500 series)	24,738.00	2,471.00	27,209.00	17,633.81	9,575.19
Supplies and Materials	2,500.00	9,671.36	12,171.36	11,714.36	457.00
Other Objects	186,739.00	93,935.00	280,674.00	198,167.99	82,506.01
Total Support Services	398,354.00	201,300.00	599,654.00	453,713.73	145,940.27
Total Expenditures	1,161,255.00	399,789.00	1,561,044.00	1,342,845.49	218,198.51
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2019

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	$ 38,071,832.78	$ 1,342,845.49
Differences - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	789,002.00	
State aid payment is recognized as revenue for budgetary purposes, not recognized for GAAP statements until subsequent year	(778,565.00)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 38,082,269.78	$ 1,342,845.49
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	$ 38,735,704.06	$ 1,342,845.49
Encumbrances for goods or services ordered but not received are reported in the year the orders are placed for budgetary purposes, but in the year the goods or services are received for financial reporting purposes.	-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 38,735,704.06	$ 1,342,845.49

REQUIRED SUPPLEMENTARY INFORMATION
PART III

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Six Plan Years

	Measurement Date Ending June 30,		
	2018	**2017**	**2016**
School District's Proportion of the Net Pension Liability	0.0458908809%	0.0459547846%	0.0491820154%
School District's Proportionate Share of the Net Pension Liability	$ 9,035,686.00	$ 10,697,539.00	$ 14,566,302.00
School District's Covered Payroll (Plan Measurement Period)	$ 3,381,472.00	$ 3,336,880.00	$ 3,620,492.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	267.21%	320.59%	402.33%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%

	2015	**2014**	**2013**
School District's Proportion of the Net Pension Liability	0.0466823489%	0.0447296763%	0.0419050510%
School District's Proportionate Share of the Net Pension Liability	$ 10,479,252.00	$ 8,374,619.00	$ 8,008,888.00
School District's Covered Payroll (Plan Measurement Period)	$ 3,464,144.00	$ 3,327,880.00	$ 3,127,024.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	302.51%	251.65%	256.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the School District's Contributions
Public Employees' Retirement System (PERS)
Last Six Fiscal Years

	Fiscal Year Ended June 30,		
	2019	**2018**	**2017**
Contractually Required Contribution	$ 292,784.00	$ 456,466.00	$ 425,722.00
Contributions in Relation to the Contractually Required Contribution	(292,784.00)	(456,466.00)	(425,722.00)
Contribution Deficiency (Excess)	$ -	$ -	$ -
School District's Covered Payroll (Fiscal Year)	$ 3,032,544.00	$ 3,056,040.00	$ 3,197,295.00
Contributions as a Percentage of School District's Covered Payroll	9.65%	14.94%	13.32%

	2016	**2015**	**2014**
Contractually Required Contribution	$ 436,926.00	$ 401,343.00	$ 378,885.00
Contributions in Relation to the Contractually Required Contribution	(436,926.00)	(401,343.00)	(378,885.00)
Contribution Deficiency (Excess)	$ -	$ -	$ -
School District's Covered Payroll (Fiscal Year)	$ 3,083,552.00	$ 3,261,869.00	$ 3,085,961.00
Contributions as a Percentage of School District's Covered Payroll	14.17%	12.30%	12.28%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Six Plan Years

	Measurement Date Ending June 30,		
	2018	**2017**	**2016**
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	100.00%	100.00%	100.00%
	100.00%	100.00%	100.00%
School District's Proportionate Share of the Net Pension Liability	$ -	$ -	$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	83,079,420.00	88,247,965.00	105,796,906.00
	$ 83,079,420.00	$ 88,247,965.00	$ 105,796,906.00
School District's Covered Payroll (Plan Measurement Period)	$ 16,415,696.00	$ 16,009,700.00	$ 15,699,316.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	0%	0%	0%
State's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	506.10%	551.22%	673.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.49%	25.41%	22.33%

	2015	**2014**	**2013**
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	100.00%	100.00%	100.00%
	100.00%	100.00%	100.00%
School District's Proportionate Share of the Net Pension Liability	$ -	$ -	$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	83,753,784.00	67,682,649.00	64,657,369.00
	$ 83,753,784.00	$ 67,682,649.00	$ 64,657,369.00
School District's Covered Payroll (Plan Measurement Period)	$ 15,777,360.00	$ 15,246,100.00	$ 14,380,392.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	0%	0%	0%
State's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	530.85%	443.93%	449.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	28.71%	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Schedule of School District Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2019

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None

Changes in Assumptions:

The Discount Rate changed at June 30th over the following years, 4.68% 2014, 4.13% 2015, 3.22% 2016, 4.25% 2017 and 4.86% 2018.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2012 - June 30, 2015 experience study.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

Changes in Assumptions:

The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017 and 5.66% 2018.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

For 2015, the social security wage base was set at $118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at $265,000.00 for 2015, increasing 3.00% per annum, compounded annually.

REQUIRED SUPPLEMENTARY INFORMATION
PART IV

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
Last Two Plan Years

	Measurement Date Ending June 30,	
	2018	**2017**
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District		
Changes for the Year:		
Service Cost	$ 2,624,942.00	$ 3,156,106.00
Interest Cost	3,069,665.00	2,653,742.00
Difference Between Expected and Actual Experience	(7,291,346.00)	
Changes in Assumptions	(8,295,254.00)	(10,778,666.00)
Gross Benefit Payments	(1,932,919.00)	(1,946,655.00)
Member Contributions	66,805.00	71,681.00
Net Change in Total Non-Employer OPEB Liability	(11,758,107.00)	(6,843,792.00)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	84,044,748.00	90,888,540.00
Total Non-Employer OPEB Liability - End of Fiscal Year	$ 72,286,641.00	$ 84,044,748.00
School District's Covered Payroll (Plan Measurement Period)	$ 17,353,601.00	$ 17,094,301.00
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	416.55%	491.65%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Required Supplementary Information - Part IV
For the Fiscal Year Ended June 30, 2019

Changes of Benefit Terms - None

Differences Between Expected and Actual Experience - The decrease in liability from June 30, 2017 to June 30, 2018 is due to changes in the census, claims and premiums experience.

Changes of Assumptions - The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018; and a decrease in the assumed health care cost trend and excise tax assumptions.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF HADDON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Every Student Succeeds Act				I.D.E.A. Part B		Total
	Title I	Title IIA	Title III	Title III Immigrant	Basic	Preschool Incentive	Carried Forward
REVENUES:							
Federal Sources	$ 141,143.13	$ 47,730.63	$ 5,371.00	$ 310.88	$ 584,798.25	$ 17,156.00	$ 796,509.89
State Sources							
Total Revenues	141,143.13	47,730.63	5,371.00	310.88	584,798.25	17,156.00	796,509.89
EXPENDITURES:							
Instruction:							
Salaries of Teachers	113,621.65			288.76	24,396.25		138,306.66
Purchased Professional - Technical Services					875.00	17,156.00	18,031.00
Other Purchased Services (400-500 series)					479,967.00		479,967.00
General Supplies	6,994.23						6,994.23
Textbooks							
Total Instruction	120,615.88			288.76	505,238.25	17,156.00	643,298.89
Support Services:							
Salaries					79,560.00		79,560.00
Personal Services - Employee Benefits	20,527.25			22.12			20,549.37
Purchased Professional - Technical Services		29,177.00					29,177.00
Other Purchased Services (400-500 series)		12,262.81	5,371.00				17,633.81
Supplies and Materials		6,290.82					6,290.82
Other Objects							
Total Support Services	20,527.25	47,730.63	5,371.00	22.12	79,560.00	-	153,211.00
Total Expenditures	141,143.13	47,730.63	5,371.00	310.88	584,798.25	17,156.00	796,509.89
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2019

		N.J. Nonpublic Auxiliary Services Ch. 192		N.J. Nonpublic Handicapped Services Ch. 193			
	Total Brought Forward	Compensatory Education	Home Instruction	Supplementary Instruction	Examination and Classification	Corrective Speech	Total Carried Forward
REVENUES:							
Federal Sources	$ 796,509.89						$ 796,509.89
State Sources		$ 63,534.60	$ 5,532.44	$ 61,449.75	$ 64,437.12	$ 3,214.08	198,167.99
Total Revenues	796,509.89	63,534.60	5,532.44	61,449.75	64,437.12	3,214.08	994,677.88
EXPENDITURES:							
Instruction:							
Salaries of Teachers	138,306.66						138,306.66
Purchased Professional - Technical Services	18,031.00						18,031.00
Other Purchased Services (400-500 series)	479,967.00						479,967.00
General Supplies	6,994.23						6,994.23
Textbooks							
Total Instruction	643,298.89	-	-	-	-	-	643,298.89
Support Services:							
Salaries	79,560.00						79,560.00
Personal Services - Employee Benefits	20,549.37						20,549.37
Purchased Professional - Technical Services	29,177.00						29,177.00
Other Purchased Services (400-500 series)	17,633.81						17,633.81
Supplies and Materials	6,290.82						6,290.82
Other Objects		63,534.60	5,532.44	61,449.75	64,437.12	3,214.08	198,167.99
Total Support Services	153,211.00	63,534.60	5,532.44	61,449.75	64,437.12	3,214.08	351,378.99
Total Expenditures	796,509.89	63,534.60	5,532.44	61,449.75	64,437.12	3,214.08	994,677.88
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Total Brought Forward	Security Aid Program	Nonpublic Textbook Aid, Ch. 194, L. 1979	Nonpublic Nursing Aid	Nonpublic Technology Aid	Total
REVENUES:						
Federal Sources	$ 796,509.89					$ 796,509.89
State Sources	198,167.99	$ 156,443.00	$ 52,813.87	$102,334.74	$ 36,576.00	546,335.60
Total Revenues	994,677.88	156,443.00	52,813.87	102,334.74	36,576.00	1,342,845.49
EXPENDITURES:						
Instruction:						
Salaries of Teachers	138,306.66					138,306.66
Purchased Professional - Technical Services	18,031.00					18,031.00
Other Purchased Services (400-500 series)	479,967.00					479,967.00
General Supplies	6,994.23	156,443.00			36,576.00	200,013.23
Textbooks			52,813.87			52,813.87
Total Instruction	643,298.89	156,443.00	52,813.87	-	36,576.00	889,131.76
Support Services:						
Salaries	79,560.00			65,960.20		145,520.20
Personal Services - Employee Benefits	20,549.37			30,951.00		51,500.37
Purchased Professional - Technical Services	29,177.00					29,177.00
Other Purchased Services (400-500 series)	17,633.81					17,633.81
Supplies and Materials	6,290.82			5,423.54		11,714.36
Other Objects	198,167.99					198,167.99
Total Support Services	351,378.99	-	-	102,334.74	-	453,713.73
Total Expenditures	994,677.88	156,443.00	52,813.87	102,334.74	36,576.00	1,342,845.49
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -	$ -

CAPITAL PROJECTS FUND

TOWNSHIP OF HADDON SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Project Expenditures
For the Fiscal Year Ended June 30, 2019

Project Title / Issue	Original Date	Appropriations	Expenditures to Date Prior Years	Expenditures to Date Current Year	Unexpended Balance June 30, 2019
2014 Bonds:					
Various Renovations, Alterations and Improvements to the Edison Elementary School, Jennings Elementary School, Stoy Elementary School, Strawbridge Elementary School, Van Sciver Elementary School and Haddon Township High School including Acquisition and Installation of Furniture & Equipment	December 3, 2014	$ 40,771,777.00	$ 40,394,538.06	$ 366,278.38	$ 10,960.56

TOWNSHIP OF HADDON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Summary Statement of Project Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year Ended June 30, 2019

Revenues and Other Financing Sources	
Transfer from Capital Reserve	$ 109,000.00
	109,000.00
Expenditures and Other Financing Uses	
Other Purchased Professional and Technical Services	-
Construction Services	366,278.38
General Supplies	-
	366,278.38
Excess (Deficiency) of Revenues Over (Under) Expenditures	(257,278.38)
Other Financing Sources (Uses):	
Interfund Transfer	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ (257,278.38)

TOWNSHIP OF HADDON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Renovations, Alterations and Improvements to Various Schools
From Inception and for the Fiscal Year Ended June 30, 2019

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources--SCC Grant	$ 9,097,786.00		$ 9,097,786.00	$ 9,097,786.00
Bond Proceeds and Transfers	31,123,000.00		31,123,000.00	31,123,000.00
Transfer from Capital Outlay	741.00		741.00	741.00
Transfer from Capital Reserve	441,250.00	$ 109,000.00	550,250.00	550,250.00
Total Revenues	$ 40,662,777.00	109,000.00	40,771,777.00	40,771,777.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	4,535,467.69		4,535,467.69	4,535,467.69
Construction Services	35,781,645.91	366,278.38	36,147,924.29	36,147,924.29
General Supplies	77,424.46		77,424.46	77,424.46
Total Expenditures	40,394,538.06	366,278.38	40,760,816.44	40,760,816.44
Excess (Deficiency) of Revenues Over (Under) Expenditures	268,238.94	(257,278.38)	10,960.56	10,960.56
Other Financing Sources (Uses):				
Interfund Transfer	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ 268,238.94	$ (257,278.38)	$ -	$ 10,960.56

Additional Project Information:

Project Number	G5-6209 to 6214
Grant Date	May 2, 2014
Bond Authorization Date	October 16, 2014
Bonds Authorized	$ 31,123,000.00
Bonds Issued	$ 31,123,000.00
Original Authorized Cost	$ 40,221,527.00
Additional Authorized Cost	$ 550,250.00
Revised Authorized Cost	$ 40,771,777.00
Percentage Increase over Original Authorized Cost	1.37%
Percentage Completion	99.97%
Original Target Completion Date	9/1/2016
Revised Target Completion Date	9/1/2018

PROPRIETARY FUNDS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Net Position
June 30, 2019

	Food Service	Latchkey Program	Adult School	Summer Recreation	Kindergarten Club	Total
ASSETS:						
Current Assets:						
Cash and Cash Equivalents		$ 33,876.72	$ 6,632.29	$ 156,542.01	$ 518,304.28	$ 715,355.30
Accounts Receivable:						
State	$ 285.76					285.76
Federal	9,084.71					9,084.71
Other	20,582.02	1,804.00				22,386.02
Inventories	14,690.46					14,690.46
Total Current Assets	44,642.95	35,680.72	6,632.29	156,542.01	518,304.28	761,802.25
Noncurrent Assets:						
Furniture, Fixtures and Equipment	174,078.00					174,078.00
Less Accumulated Depreciation	162,612.13					162,612.13
Total Noncurrent Assets	11,465.87	-	-	-	-	11,465.87
Total Assets	56,108.82	35,680.72	6,632.29	156,542.01	518,304.28	773,268.12
LIABILITIES:						
Current Liabilities:						
Cash Overdraft	380,435.97					380,435.97
Unearned Revenue	16,503.52			116,115.10	8,954.00	141,572.62
Total Current Liabilities	396,939.49	-	-	116,115.10	8,954.00	522,008.59
Total Liabilities	396,939.49	-	-	116,115.10	8,954.00	522,008.59
NET POSITION:						
Net Investment in Capital Assets	11,465.87					11,465.87
Unrestricted (Deficit)	(352,296.54)	35,680.72	6,632.29	40,426.91	509,350.28	239,793.66
Total Net Position (Deficit)	$ (340,830.67)	$ 35,680.72	$ 6,632.29	$ 40,426.91	$ 509,350.28	$ 251,259.53

TOWNSHIP OF HADDON SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2019

	Fixed Price Contract Food Service	Latchkey Program	Adult School	Summer Recreation	Kindergarten Club	Total
OPERATING REVENUES:						
Charges for Services:						
Daily Sales - Reimbursable Programs	$ 162,884.01					$ 162,884.01
Daily Sales - Non-Reimbursable Programs	180,809.23					180,809.23
Community Service Activities		$ 294,775.25	$ 38,667.75	$ 103,189.74	$ 220,285.50	656,918.24
Total Operating Revenues	343,693.24	294,775.25	38,667.75	103,189.74	220,285.50	1,000,611.48
OPERATING EXPENSES:						
Salaries	188,363.38	306,978.12	25,408.59	98,361.54	117,899.88	737,011.51
Employee Benefits	55,900.51	18,990.99	1,940.45	8,800.42	8,945.17	94,577.54
Other Purchased Services	33,962.46	30,560.00	17,372.11			81,894.57
General Supplies	24,257.72	50,788.00		17,619.00	12,111.74	104,776.46
Depreciation	1,596.48					1,596.48
Miscellaneous	4,829.94					4,829.94
Cost of Sales-Reimbursable Programs	120,837.00					120,837.00
Cost of Sales-Non-Reimbursable Programs	67,403.24					67,403.24
Total Operating Expenses	497,150.73	407,317.11	44,721.15	124,780.96	138,956.79	1,212,926.74
Operating Income / (Loss)	(153,457.49)	(112,541.86)	(6,053.40)	(21,591.22)	81,328.71	(212,315.26)
NONOPERATING REVENUES (EXPENSES):						
State Sources:						
State School Lunch Program	4,469.58					4,469.58
Federal Sources:						
National School Lunch Program	125,740.16					125,740.16
National Breakfast Program	8,032.05					8,032.05
National Snack Program	3,418.74					3,418.74
Food Distribution Program	29,842.58					29,842.58
Loss on Disposal of Capital Asset	(897.08)					(897.08)
Total Nonoperating Revenues (Expenses)	170,606.03	-	-	-	-	170,606.03
Change in Net Position	17,148.54	(112,541.86)	(6,053.40)	(21,591.22)	81,328.71	(41,709.23)
Net Position (Deficit) -- July 1	(357,979.21)	148,222.58	12,685.69	62,018.13	428,021.57	292,968.76
Net Position (Deficit) -- June 30	$ (340,830.67)	$ 35,680.72	$ 6,632.29	$ 40,426.91	$ 509,350.28	$ 251,259.53

TOWNSHIP OF HADDON SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2019

	Food Service	Latchkey Program	Adult School	Summer Recreation	Kindergarten Club	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from Customers	$ 322,930.57	$ 292,971.25	$ 38,667.75	$ 119,251.60	$ 211,879.50	$ 985,700.67
Payments to Employees	(188,363.38)	(306,978.12)	(25,408.59)	(98,361.54)	(117,899.88)	(737,011.51)
Payments for Employee Benefits	(55,900.51)	(18,990.99)	(1,940.45)	(8,800.42)	(8,945.17)	(94,577.54)
Payments to Vendors	(222,025.19)	(81,348.00)	(17,372.11)	(17,619.00)	(12,111.74)	(350,476.04)
Net Cash Provided by (Used for) Operating Activities	(143,358.51)	(114,345.86)	(6,053.40)	(5,529.36)	72,922.71	(196,364.42)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:						
State Sources	4,502.57					4,502.57
Federal Sources	137,963.26					137,963.26
Net Cash Provided by Non-Capital Financing Activities	142,465.83	-	-	-	-	142,465.83
Net Increase (Decrease) in Cash and Cash Equivalents	(892.68)	(114,345.86)	(6,053.40)	(5,529.36)	72,922.71	(53,898.59)
Cash and Cash Equivalents (Deficit) -- July 1	(379,543.29)	148,222.58	12,685.69	162,071.37	445,381.57	388,817.92
Cash and Cash Equivalents (Deficit) -- June 30	$ (380,435.97)	$ 33,876.72	$ 6,632.29	$ 156,542.01	$ 518,304.28	$ 334,919.33
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	$ (153,457.49)	$ (112,541.86)	$ (6,053.40)	$ (21,591.22)	$ 81,328.71	$ (212,315.26)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:						
Depreciation and Net Amortization	1,596.48					1,596.48
Federal Commodities	29,842.58					29,842.58
(Increase) Decrease in Accounts Receivable-Other, net	(16,567.47)	(1,804.00)				(18,371.47)
(Increase) Decrease in Inventories	(6,313.39)					(6,313.39)
Increase (Decrease) in Unearned Revenue	1,540.78			16,061.86	(8,406.00)	9,196.64
Total Adjustments	10,098.98	(1,804.00)	-	16,061.86	(8,406.00)	15,950.84
Net Cash Provided by (Used for) Operating Activities	$ (143,358.51)	$ (114,345.86)	$ (6,053.40)	$ (5,529.36)	$ 72,922.71	$ (196,364.42)

FIDUCIARY FUNDS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2019

	Private Purpose Trust Fund	Agency Funds		
	Unemployment Compensation Trust	Student Activity	Payroll	Total
ASSETS:				
Cash and Cash Equivalents	$ 567,348.79	$ 240,609.07	$ 75,386.14	$ 883,344.00
	567,348.79	240,609.07	75,386.14	883,344.00
LIABILITIES:				
Payable to District (General Fund)			$ 1,087.70	1,087.70
Payable to Student Groups		$ 240,609.07		240,609.07
Payroll Deductions and Withholdings			74,298.44	74,298.44
Total Liabilities	-	$ 240,609.07	$ 75,386.14	315,995.21
NET POSITON:				
Held in Trust for Unemployment Claims and Other Purposes	567,348.79			567,348.79
Total Net Position	$ 567,348.79			$ 567,348.79

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2019

	Private Purpose Trust Fund Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Plan Member	$ 39,925.34
Investment Earnings:	
Interest	2,774.31
Total Additions	42,699.65
DEDUCTIONS:	
Unemployment Claims	22,370.32
Change in Net Position	20,329.33
Net Position -- July 1	547,019.46
Net Position -- June 30	$ 567,348.79

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2019

	Balance June 30, 2018	Cash Receipts	Cash Disbursements	Balance June 30, 2019
ELEMENTARY SCHOOLS:				
Edison School	$ 1,223.55	$ 2,787.47	$ 3,189.50	$ 821.52
Jennings School	437.43	1,430.25	1,622.49	245.19
Stoy School	852.18	3,699.10	3,385.44	1,165.84
Strawbridge School	7,329.43	2,651.76	3,600.85	6,380.34
Van Sciver School	2,713.40	14,724.98	13,937.45	3,500.93
Total Elementary Schools	12,555.99	25,293.56	25,735.73	12,113.82
SENIOR HIGH SCHOOLS:				
Haddon Township	238,736.79	381,343.05	392,058.54	228,021.30
COMMUNITY ACTIVITIES:				
Community Activity	200.50			200.50
Peace Night	271.65	1.80		273.45
Total Community Activity	472.15	1.80	-	473.95
Total Student Activity	$ 251,764.93	$ 406,638.41	$ 417,794.27	$ 240,609.07

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Payroll Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2019

	Balance June 30, 2018	Receipts	Disbursements	Balance June 30, 2019
ASSETS:				
Cash and Cash Equivalents	$ 232,219.85	$ 22,673,133.39	$ 22,829,967.10	$ 75,386.14
Interfund				
Total Assets	$ 232,219.85	$ 22,673,133.39	$ 22,829,967.10	$ 75,386.14
LIABILITIES:				
Payroll Deductions and Withholdings	$ 223,706.62	$ 22,672,045.69	$ 22,821,453.87	$ 74,298.44
Due General Fund	8,513.23	1,087.70	8,513.23	1,087.70
Total Liabilities	$ 232,219.85	$ 22,673,133.39	$ 22,829,967.10	$ 75,386.14

LONG-TERM DEBT

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2019

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance June 30, 2018	Issued	Paid	Balance June 30, 2019
School District	12-3-14	$ 31,123,000.00	8-1-19	$ 675,000.00	3.000%				
			8-1-20	675,000.00	3.000%				
			8-1-21	675,000.00	3.000%				
			8-1-22	1,200,000.00	3.000%				
			8-1-23	1,225,000.00	3.000%				
			8-1-24	1,250,000.00	3.000%				
			8-1-25	1,275,000.00	3.000%				
			8-1-26	1,300,000.00	3.000%				
			8-1-27	1,325,000.00	3.000%				
			8-1-28	1,335,000.00	3.000%				
			8-1-29	1,345,000.00	3.125%				
			8-1-30	1,350,000.00	3.250%				
			8-1-31	1,350,000.00	3.250%				
			8-1-32	1,350,000.00	3.500%				
			8-1-33	1,350,000.00	3.500%				
			8-1-34	1,330,000.00	3.500%				
			8-1-35	1,300,000.00	3.500%				
			8-1-36	1,250,000.00	4.000%				
			8-1-37	1,200,000.00	4.000%				
			8-1-38	1,150,000.00	4.000%				
			8-1-39	1,100,000.00	4.000%				
			8-1-40	1,000,000.00	4.000%				
			8-1-41	900,000.00	4.000%				
			8-1-42	800,000.00	4.000%				
			8-1-43	700,000.00	4.000%				
			8-1-44	688,000.00	4.000%	$ 29,773,000.00		$ 675,000.00	$ 29,098,000.00
School District	1-15-15	5,680,000.00	4-15-20	820,000.00	4.000%				
			4-15-21	860,000.00	4.000%				
			4-15-22	880,000.00	4.000%	3,360,000.00		800,000.00	2,560,000.00
						$ 33,133,000.00	$ -	$ 1,475,000.00	$ 31,658,000.00

TOWNSHIP OF HADDON SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2019

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 2,366,459.00		$ 2,366,459.00	$ 2,366,460.00	$ 1.00
State Sources:					
Debt Service Aid Type II	240,967.00		240,967.00	240,967.00	
Total Revenues	2,607,426.00	$ -	2,607,426.00	2,607,427.00	1.00
EXPENDITURES:					
Regular Debt Service:					
Interest	1,132,426.00		1,132,426.00	1,132,426.26	(0.26)
Redemption of Principal	1,475,000.00		1,475,000.00	1,475,000.00	
Total Regular Debt Service	2,607,426.00	-	2,607,426.00	2,607,426.26	(0.26)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	0.74	0.74
Fund Balance, July 1	0.15	-	0.15	0.15	-
Fund Balance, June 30	$ 0.15	$ -	$ 0.15	$ 0.89	$ 0.74

Recapitulation

Restricted Fund Balance	$ 0.89

STATISTICAL SECTION

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.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Net Position/Net Assets by Component
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014 **	2013*	2012	2011	2010
Governmental Activities:										
Net Investment in Capital Assets	$ 23,555,407	$ 23,861,340	$ 23,832,592	$ 14,485,629	$ (17,940,083)	$ 13,649,120	$ 13,472,565	$ 13,421,492	$ 13,276,372	$ 13,236,925
Restricted	1,829,148	2,757,382	3,207,761	19,230,002	27,568,417	2,909,136	3,163,177	3,289,645	1,238,648	150,415
Unrestricted (Deficit)	(10,500,680)	(10,560,678)	(10,324,542)	(24,100,051)	(369,424)	(6,588,812)	1,308,626	(242,668)	6,862	(473,454)
Total Governmental Activities Net Position/Net Assets	$ 14,883,875	$ 16,058,044	$ 16,715,811	$ 9,615,580	$ 9,258,909	$ 9,969,445	$ 17,944,367	$ 16,468,469	$ 14,521,882	$ 12,913,886
Business-type Activities:										
Net Investment in Capital Assets	$ 11,466	$ 13,959	$ 17,205	$ 20,451	$ 24,613	$ 44,591	$ 46,657	$ 47,283	$ 53,580	$ 44,957
Unrestricted	239,794	279,009	292,518	271,454	180,604	132,877	137,373	152,886	191,791	187,216
Total Business-type Activities Net Position/Net Assets	$ 251,260	$ 292,969	$ 309,723	$ 291,905	$ 205,217	$ 177,468	$ 184,030	$ 200,169	$ 245,371	$ 232,174
District-wide:										
Net Investment in Capital Assets (Deficit)	$ 23,566,873	$ 23,875,300	$ 23,849,797	$ 14,506,080	$ (17,915,471)	$ 13,693,711	$ 13,519,222	$ 13,468,775	$ 13,329,952	$ 13,281,882
Restricted	1,829,148	2,757,382	3,207,761	19,230,002	27,568,417	2,909,136	3,163,177	3,289,645	1,238,648	150,415
Unrestricted (Deficit)	(10,260,886)	(10,281,669)	(10,032,024)	(23,828,597)	(188,820)	(6,455,935)	1,445,998	(89,782)	198,653	(286,238)
Total District-wide Net Position/Net Assets	$ 15,135,134	$ 16,351,013	$ 17,025,534	$ 9,907,485	$ 9,464,126	$ 10,146,912	$ 18,128,397	$ 16,668,638	$ 14,767,253	$ 13,146,060

* District implemented GASB 63
** District implemented GASB 68

Source: District Records (Exhibit A-1)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Net Position/Net Assets
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015 **	2014	2013 *	2012	2011	2010
Expenses:										
Governmental Activities:										
Instruction:										
Regular	$ 10,961,897	$ 11,038,719	$ 11,129,351	$ 10,649,175	$ 10,896,630	$ 10,495,802	$ 10,151,839	$ 10,227,029	$ 9,986,478	$ 11,105,807
Special Education	2,758,401	2,583,204	2,228,348	2,169,891	2,211,967	1,989,092	1,903,544	1,765,179	1,584,967	1,672,145
Other Special Education	421,640	426,499	380,707	391,636	412,494	320,616	317,574	189,804	175,242	362,412
Other Instruction	749,012	713,007	676,896	738,093	669,594	666,582	600,140	590,472	552,275	733,355
Community Service Programs										128,108
Support Services:										
Tuition	1,484,363	1,242,983	1,456,701	1,269,544	1,483,534	1,779,404	1,598,455	1,517,731	1,586,004	2,316,315
Student and Instruction Related Services	4,196,589	4,118,397	3,989,421	3,892,246	3,607,235	3,731,409	3,420,105	3,144,491	3,194,898	3,370,838
School Administrative Services	2,464,450	2,420,784	2,309,035	2,200,878	2,169,430	2,074,540	2,165,879	2,045,957	1,920,988	2,166,351
General and Business Administrative Services	509,345	474,664	521,643	587,721	511,202	474,222	659,546	538,098	488,545	482,896
Plant Operations and Maintenance	5,666,989	5,080,646	3,263,796	3,233,096	3,439,609	3,182,604	2,946,659	2,883,911	2,971,026	3,294,675
Pupil Transportation	1,077,575	1,127,737	1,079,875	1,008,561	986,193	1,025,607	845,186	809,549	799,698	801,929
Unallocated Benefits	15,616,817	18,966,106	17,688,770	13,978,172	11,748,431	8,005,691	7,747,276	7,513,136	7,299,838	7,185,158
Special Schools								20,078	22,784	57,719
Charter Schools			50,018	44,698	50,442	8,367	5,554		24,519	14,672
Capital Outlay	53,700	53,700	53,700	53,700	53,700	481,101	53,700	44,129	63,742	6,963
Interest on Long-term Debt	1,090,688	1,120,612	1,149,574	1,190,757	758,344	312,504	340,890	367,002	395,186	419,196
Amortization of Bond Issuance Costs								16,881	17,441	17,441
Unallocated Depreciation	164,725	130,542	135,250	132,909	130,542	130,542	130,541	132,122	131,393	112,017
Total Governmental Activities Expenses	47,216,193	49,497,600	46,113,086	41,541,077	39,129,347	34,678,081	32,886,888	31,805,569	31,215,022	34,247,996
Business-type Activities:										
Food Service	497,151	486,815	490,213	534,309	605,555	507,069	570,726	693,412	668,801	720,021
Other	715,776	608,129	525,474	435,273	372,235	342,393	316,120	257,024	259,755	277,014
Total Business-type Activities Expense	1,212,927	1,094,944	1,015,687	969,583	977,790	849,462	886,846	950,436	928,556	997,034
Total District Expenses	$ 48,429,120	$ 50,592,543	$ 47,128,773	$ 42,510,660	$ 40,107,138	$ 35,527,543	$ 33,773,734	$ 32,756,005	$ 32,143,578	$ 35,245,030

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Net Position/Net Assets
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015 **	2014	2013 *	2012	2011	2010
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction: Tuition	$ 121,860	$ 123,692	$ 142,702	$ 115,463	$ 152,135	$ 119,195	$ 145,314	$ 124,912	$ 151,567	$ 89,550
Operating/Capital Grants and Contributions	10,509,703	11,002,717	19,187,958	8,605,779	6,910,520	3,554,471	3,909,851	3,557,041	3,333,773	3,624,232
Total Governmental Activities Program Revenues	10,631,563	11,126,410	19,330,660	8,721,242	7,062,655	3,673,666	4,055,165	3,681,953	3,485,340	3,713,782
Business-type activities:										
Charges for services										
Food Service	343,693	278,457	299,394	275,451	233,870	257,409	256,920	271,629	274,682	336,691
Other	656,918	628,809	557,119	576,624	543,180	423,627	383,168	258,079	278,110	273,812
Operating Grants and Contributions	171,503	170,925	176,992	205,112	228,489	161,864	224,823	190,525	170,952	144,864
Total Business-type Activities Program Revenues	1,172,115	1,078,190	1,033,505	1,057,187	1,005,539	842,900	864,910	720,234	723,744	755,367
Total District Program Revenues	$ 11,803,678	$ 12,204,599	$ 20,364,165	$ 9,778,429	$ 8,068,194	$ 4,516,567	$ 4,920,075	$ 4,402,187	$ 4,209,084	$ 4,469,149
Net (Expense)/Revenue:										
Governmental Activities	$ (36,584,630)	$ (38,371,190)	$ (26,782,426)	$ (32,819,835)	$ (32,066,692)	$ (31,004,415)	$ (28,831,723)	$ (28,123,617)	$ (27,729,682)	$ (30,534,214)
Business-type Activities	(40,812)	(16,754)	17,818	87,604	27,749	(6,562)	(21,936)	(230,202)	(204,812)	(241,667)
Total District-wide Net Expense	$ (36,625,442)	$ (38,387,944)	$ (26,764,608)	$ (32,732,231)	$ (32,038,943)	$ (31,010,977)	$ (28,853,659)	$ (28,353,818)	$ (27,934,494)	$ (30,775,881)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Net Position/Net Assets
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015 **	2014	2013 *	2012	2011	2010
General Revenues and Other Changes in Net Position/Net Assets:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	$ 23,434,806	$ 22,975,300	$ 22,524,805	$ 21,650,138	$ 21,225,626	$ 20,809,437	$ 20,659,459	$ 20,500,988	$ 19,818,314	$ 19,056,071
Taxes Levied for Debt Service	2,366,460	2,382,056	2,197,604	998,763	1,001,838	997,853	993,436	983,028	980,819	1,101,375
Unrestricted Grants and Contributions	8,658,275	8,780,387	8,767,045	8,559,238	8,520,415	8,477,913	8,431,887	7,830,296	8,720,089	8,691,296
Miscellaneous Income	954,420	226,718	393,203	175,369	184,612	182,956	170,422	241,374	156,403	120,694
Other				(14,247)	105,890			2	545	(11,328)
Disposal / Deletion of Assets	(3,500)	(8,220)		(13,104)						(40,595)
Transfers						(5,796)	(185,000)	(218,009)	(222,402)	(274,000)
Total Governmental Activities	35,410,460	34,356,241	33,882,657	31,356,158	31,038,380	30,462,364	30,070,204	29,337,678	29,453,768	28,643,513
Business-type Activities:										
Cancellation of Accounts Receivable										(563)
Disposal / Deletion of Assets	(897)									
Transfers						5,796	185,000	218,009	222,402	274,000
Total Business-type Activities	(897)	-	-	-	-	5,796	185,000	218,009	222,402	273,437
Total District-wide	$ 35,409,563	$ 34,356,241	$ 33,882,657	$ 31,356,158	$ 31,038,380	$ 30,468,160	$ 30,255,204	$ 29,555,687	$ 29,676,170	$ 28,916,950
Change in Net Position/Net Assets:										
Governmental Activities	$ (1,174,170)	$ (4,014,949)	$ 7,100,231	$ (1,463,678)	$ (1,028,312)	$ (542,052)	$ 1,238,480	$ 1,214,061	$ 1,724,085	$ (1,890,701)
Business-type Activities	(41,709)	(16,754)	17,818	87,604	27,749	(766)	163,064	(12,193)	17,590	31,770
Total District	$ (1,215,879)	$ (4,031,703)	$ 7,118,049	$ (1,376,073)	$ (1,000,563)	$ (542,817)	$ 1,401,545	$ 1,201,869	$ 1,741,676	$ (1,858,932)

* District implemented GASB 63
** District implemented GASB 68

Source: District Records (Exhibit A-2)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011 (A)	2010
General Fund:										
Reserved										$ 122,395
Capital Reserve										1
Unreserved										(83,418)
Non-Spendable:										
Prepaid Expenses	$ 69,141	$ 44,205						$ 158	$ 1,564	
Restricted:										
Capital Reserve	620,155	725,298	$ 738,569	$ 735,873	$ 959,198	$ 1,105,876	$ 950,000	950,000	950,000	
Maintenance Reserve	25,692	25,545	25,392	25,299	25,220	25,138	25,000	25,000	25,000	
Current Expense Emergency Reserve	62,803	77,429	126,960	126,497	126,101	125,691	125,000	125,000	125,000	
Excess Surplus	120,732	210,763	913,379	604,189	1,227,597	1,652,429	2,063,176	2,051,361	138,174	
Designated for Subsequent Year's Expenditures	999,765	1,718,346	1,403,458	2,021,804	95,686			138,174		
Assigned:										
Designated for Subsequent Year's Expenditures	1		93,565		1,652,429	2,108,138	2,051,361	528,799	268,637	
ARRA/SEMI Designated for Subsequent Year's Expenditures			983							
Other Purposes	1,545	11,701	1,015	74,276	57,308	167,990	12,309		258,950	
Unassigned	1,030,346	879,326	867,449	757,054	739,959	(24,927)	(82,433)	(157,244)	113,125	
Total General Fund	$ 2,930,180	$ 3,692,614	$ 4,170,770	$ 4,344,993	$ 4,883,499	$ 5,160,335	$ 5,144,413	$ 3,661,248	$ 1,880,449	$ 38,979
All Other Governmental Funds:										
Unreserved, Reported in:										
Capital Projects Fund										$ 145,940
Debt Service Fund										4,476
Restricted:										
Capital Projects Fund				$ 15,687,756	$ 23,549,288					
Debt Service Fund	$ 1		$ 1	28,584	28,583	$ 1	$ 1	$ 110	$ 474	
Total All Other Governmental Funds	$ 1	$ -	$ 1	$ 15,716,340	$ 23,577,871	$ 1	$ 1	$ 110	$ 474	$ 150,415

(A) The District Implemented GASB 54

Source: District Records (Exhibit B-1)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Tax Levy	$ 25,801,266	$ 25,357,356	$ 24,722,409	$ 24,232,031	$ 22,648,901	$ 22,227,464	$ 21,807,290	$ 21,652,895	$ 21,484,016	$ 20,799,133
Tuition Charges	121,860	123,692	142,702	115,463	152,135	119,195	145,314	124,912	151,567	89,550
Miscellaneous	954,420	226,718	393,203	348,566	175,369	290,502	185,606	170,422	241,374	156,403
State Sources	14,577,961	14,759,225	20,665,054	12,291,834	11,676,195	11,274,890	11,573,682	10,757,200	10,055,793	9,759,655
Federal Sources	834,313	880,327	812,991	877,512	868,015	799,995	814,082	1,231,727	1,108,276	2,584,666
Total Revenue	42,289,821	41,347,319	46,736,360	37,865,406	35,520,614	34,712,046	34,525,974	33,937,156	33,041,025	33,389,407
Expenditures:										
Instruction										
Regular Instruction	10,887,651	10,965,093	11,057,562	10,589,146	10,850,112	10,449,700	10,105,823	10,183,644	9,943,529	11,060,863
Special Education Instruction	2,758,401	2,583,204	2,228,348	2,169,891	2,211,967	1,989,092	1,903,544	1,765,179	1,584,967	1,672,145
Other Special Instruction	421,640	426,499	380,707	391,636	412,494	320,616	317,574	189,804	175,242	362,412
Other Instruction	749,012	713,007	676,896	738,093	669,594	666,582	600,140	590,472	552,275	733,355
Adult / Continuing Education Programs										128,108
Support Services:										
Tuition	1,484,363	1,242,983	1,456,701	1,269,544	1,483,534	1,779,404	1,598,455	1,517,731	1,586,004	2,316,315
Student and Instruction Related Services	4,196,589	4,118,397	3,989,220	3,891,557	3,606,545	3,730,719	3,419,415	3,143,648	3,193,402	3,367,924
School Administrative Services	2,464,450	2,420,784	2,307,788	2,199,576	2,168,128	2,073,238	2,164,577	2,045,870	1,920,988	2,166,351
Other Administrative Services	509,345	474,664	521,643	587,721	511,202	474,222	659,546	538,098	487,747	482,098
Plant Operations and Maintenance	3,076,817	2,942,283	2,862,838	2,831,849	3,026,987	2,772,427	2,537,385	2,440,691	2,500,542	2,821,509
Pupil Transportation	996,573	1,039,047	987,564	926,994	917,292	961,270	786,966	758,060	752,043	760,835
Unallocated Benefits	11,827,312	11,044,748	10,081,972	9,497,186	8,596,928	7,841,251	7,837,939	7,544,357	7,190,165	7,193,143
Special Schools								20,078	22,784	57,719
Charter Schools			50,018	44,698	50,442	8,367	5,554		24,519	14,672
Capital Outlay	1,072,675	1,228,842	23,376,836	8,978,662	7,852,927	627,399	99,592	240,290	210,142	113,181
Debt Service:										
Principal	1,475,000	1,450,000	1,430,000	735,000	785,000	705,000	675,000	645,000	615,000	595,000
Interest and Other Charges	1,132,426	1,175,926	1,218,826	1,413,890	185,181	296,838	322,963	348,800	372,140	396,598
Total Expenditures	43,052,254	41,825,478	62,626,920	46,265,443	43,328,334	34,696,124	33,034,473	31,971,723	31,131,488	34,242,227
Excess (Deficiency) of Revenues Over (Under) Expenditures	(762,434)	(478,159)	(15,890,560)	(8,400,037)	(7,807,719)	15,923	1,491,502	1,965,434	1,909,537	(852,820)
Other Financing Sources (Uses):										
Bond Proceeds				31,123,000						
Refund of Prior Year Revenue				(14,247)						
Accounts Receivable/Payable Canceled						(2,650)		2	545	(14,324)
Transfers In/Out						(5,796)	(185,000)	(218,009)	(222,402)	(274,000)
Total Other Financing Sources (Uses)	-	-	-	31,108,753	-	(8,446)	(185,000)	(218,007)	(221,857)	(288,324)
Net Change in Fund Balances	$ (762,434)	$ (478,159)	$ (15,890,560)	$ 22,708,716	$ (7,807,719)	$ 7,477	$ 1,306,502	$ 1,747,427	$ 1,687,680	$ (1,141,144)
Debt Service as a Percentage of Noncapital Expenditures	6.2%	6.5%	6.7%	5.8%	2.7%	2.9%	3.0%	3.1%	3.2%	2.9%

Source: District Records (Exhibit B-2)

TOWNSHIP OF HADDON SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Refunds of Prior Year Expenses	$ 388,350.96	$ 7,817.99	$ 4,894.12	$ 27,218.84	$ 12,447.37	$ 1,636.05	$ 890.40	$ 795.01	$ 20,518.04	$ 19,427.35
Transportation Jointures	18,778.49	6,670.54			175.00				5,078.32	
Use of Facilities Fees	14,331.00	6,866.00	7,430.40					750.00		3,130.00
Athletic Event Receipts	18,947.00	17,009.00	15,753.00	57,868.37	15,148.50	17,161.00	44,803.00	44,348.04	36,656.00	
Recycling Refund										
Camp Fees	240.00	570.00		950.00	530.00	1,040.00	1,705.00	1,010.00	600.00	1,430.00
Sale of Obsolete Equipment/Property		302.99	8,185.00	7,810.00	4,256.03	417.33	13,126.00			
Services Provided for Other LEAs			1,050.00				29,780.00	28,648.50	76,618.52	
Workshop Fees			150.00							
Restitution		750.00						1,720.00		
Township Share of Prior Years Community Activities										84,831.03
Interest on Investments	17,564.77	15,640.84	26,559.33	99,322.95	75,752.66	27,679.19	42,585.70	48,664.61	42,723.90	38,420.71
Escrow Refund				3,878.57						
Participation Fees						43,295.00	47,492.00	38,530.00	48,830.00	
NJDEP Refund				205.00						
Colonial Conference Receipts	23,381.00	21,244.00	21,643.00	26,836.00	25,109.00	23,365.00				
Insurance Award	1,000.00			500.00		1,000.00				
Donations	10,452.00		6,756.30						7,500.00	
Obligations	90.02	10.98	232.20	5,583.27	565.70	736.84	2,164.34	814.17	856.90	1,582.84
Cancellation of Prior Year Accounts Payable			109,215.27			105,889.88				
NJ SLSTATE Other								247.54		
IPAD Repair Fees	5,428.00	2,831.96	2,789.00							
Waste Oil Refund				396.06						
Camden County College - Teacher Reimbursement						696.00				
Settlements		10,000.00				26,016.42				
Installment Payment - Track				24,000.00						
PSE&G Smart Start Building Rebates									450.00	
Tuition Reimbursement	5,427.30	5,496.91	60,983.51	38,998.23	17,331.55	36,195.70				
Prior Year Tuition Refund										4,869.23
High School Plus Program					652.50					
Capital One - PCS Wireless					680.00					
Capital Projects Fund - Repay Prior Year Expenses	425,000.00									
ATOD Program					11,850.00					
Board of Public Utilities - NJ Clean Energy Program		64,036.53	46,730.00	6,900.00						
Burlington County Insurance Pool				1,500.00						
E-Rate Refunds	3,325.97	41,068.05	29,771.98	14,346.86	10,754.91					
CPR Training	880.00	713.00	684.00	5,000.00						
FEMA Reimbursement			9,389.42							
Miscellaneous	881.74	3,817.22	3,676.12	27,251.88	115.45	5,373.25	3,059.71	4,894.25	1,431.31	2,348.26
Transportation Refund	20,341.94	21,872.25	37,310.86							
	$ 954,420.19	$ 226,718.26	$ 393,203.51	$ 348,566.03	$ 175,368.67	$ 290,501.66	$ 185,606.15	$ 170,422.12	$ 241,262.99	$ 156,039.42

Source: District Records

Revenue Capacity Information

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Years
Unaudited

Year Ended Dec. 31		Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2019		$ 7,247,800.00	$ 1,070,751,900.00	$ -	$ 128,711,100.00	$ 4,757,400.00	$ 59,819,600.00	$ 1,271,287,800.00	$ 972,965.00	$ 1,272,260,765.00	$ 173,924,300.00	$ 1,394,873,601.00	$ 2.050
2018		7,377,800.00	1,064,177,100.00	-	126,690,900.00	4,757,400.00	59,819,600.00	1,262,822,800.00	950,463.00	1,263,773,263.00	173,924,300.00	1,359,921,172.00	2.025
2017		6,846,400.00	1,060,524,000.00	-	125,894,300.00	4,996,700.00	60,035,000.00	1,258,296,400.00	952,350.00	1,259,248,750.00	121,233,700.00	1,341,181,411.00	1.988
2016		4,656,800.00	1,057,568,500.00	-	126,514,300.00	5,096,700.00	62,080,700.00	1,255,917,000.00	959,026.00	1,256,876,026.00	124,266,600.00	1,321,044,494.00	1.947
2015		4,558,100.00	1,056,627,600.00	-	128,826,400.00	5,096,700.00	62,080,700.00	1,257,189,500.00	973,690.00	1,258,163,190.00	116,085,200.00	1,308,890,682.00	1.847
2014		4,565,300.00	1,055,636,700.00	-	131,255,600.00	5,096,700.00	62,080,700.00	1,258,635,000.00	941,400.00	1,259,576,400.00	116,049,200.00	1,331,607,067.00	1.798
2013		4,613,500.00	1,054,594,000.00	-	131,887,000.00	5,233,900.00	62,080,700.00	1,258,409,100.00	1,094,495.00	1,259,503,595.00	115,520,900.00	1,378,021,353.00	1.748
2012		5,115,300.00	1,053,947,500.00	-	133,519,600.00	5,233,900.00	62,080,700.00	1,259,897,000.00	930,916.00	1,260,827,916.00	114,184,500.00	1,380,406,486.00	1.723
2011	(A)	5,046,200.00	1,053,505,100.00	-	134,574,000.00	5,233,900.00	62,080,700.00	1,260,439,900.00	916,736.00	1,261,356,636.00	113,861,900.00	1,334,081,181.00	1.709
2010		2,725,000.00	566,764,500.00	-	78,116,000.00	3,349,400.00	32,174,000.00	683,128,900.00	509,303.00	683,638,203.00	105,521,700.00	1,431,235,910.00	3.092

(A) Reassessment

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax rates are per $100

Source: Camden County Board of Taxation

TOWNSHIP OF HADDON SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Years
(Rate per $100 of Assessed Value)
Unaudited

	District Direct Rate			Overlapping Rates			
Year Ended Dec. 31	Basic Rate	General Obligation Debt Service (2)	Total Direct School Tax Rate	Special Districts	Township of Haddon	Camden County	Total Direct and Overlapping Tax Rate
2019	$ 1.864	$ 0.186	$ 2.050	$ 0.354 (1)	$ 0.649	$ 0.953	$ 4.006
2018	1.837	0.188	2.025	0.349 (1)	0.644	0.964	3.982
2017	1.813	0.175	1.988	0.337 (1)	0.641	0.950	3.916
2016	1.776	0.171	1.947	0.773	0.637	0.928	4.285
2015	1.768	0.079	1.847	0.721	0.637	0.915	4.120
2014	1.719	0.079	1.798	0.720	0.637	0.904	4.059
2013	1.669	0.079	1.748	0.365	0.608	0.915	3.636
2012	1.645	0.078	1.723	0.347	0.578	0.847	3.495
2011	1.631	0.078	1.709	0.345	0.614	0.757	3.115
2010	2.948	0.144	3.092	0.868	1.080	1.371	6.411

(1) Fire District #2 does not have an adopted budget and as a result no tax rate.
(2) Rates for debt service are based on each year's requirements.

Source: Municipal Tax Collector

TOWNSHIP OF HADDON SCHOOL DISTRICT
Principal Property Tax Payers
Current Year and Ten Years Ago
Unaudited

	2019			2010		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Haddon View Assoc	$ 36,852,000	1	2.92%	$ 19,981,800	1	2.92%
Kimco Realty Corp	20,314,100	2	1.61%	9,819,200	2	1.44%
Haddon Hills % Goldberg	15,500,000	3	1.23%	8,209,000	3	1.20%
Rohrer Tower II	8,385,200	4	0.66%			
Commonwealth/Media Real Estate	7,500,000	5	0.59%	4,902,900	4	0.72%
Venice Realty LLC	3,684,200	6	0.29%			
FW NJ-Westmont Shopping Ctr. LLC	3,638,700	7	0.29%	2,769,300	8	0.41%
ILCL Center Assoc	3,500,000	8	0.28%	2,530,300	7	0.37%
FMP Haddon LLC	2,900,000	9	0.23%			
600 Cuthbert LLC	2,828,300	10	0.22%			
Collingswood-W Investment LLC				1,767,500	9	0.26%
First States Investors 3300 LLC				3,306,990	5	0.48%
Lawland Associates				3,296,700	6	0.48%
RPW Investment Holdings				1,193,200	10	0.17%
Total	$ 105,102,500		8.32%	$ 57,776,890		8.45%

Source: District CAFR & Municipal Tax Assessor

TOWNSHIP OF HADDON SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1) Amount	Percentage of Levy	Collections in Subsequent Years
2019	$ 25,801,266	$ 25,801,266	100.00%	
2018	25,357,356	25,357,356	100.00%	-
2017	24,722,408	22,662,207	91.67%	$ 2,060,201
2016	24,232,031	24,232,031	100.00%	-
2015	22,648,901	22,648,901	100.00%	-
2014	22,227,464	22,227,464	100.00%	-
2013	21,807,290	21,807,290	100.00%	-
2012	21,652,895	21,652,895	100.00%	-
2011	21,484,016	21,484,133	100.00%	-
2010	20,799,133	20,799,133	100.00%	-

(1) 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.

Source: District Records

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.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds (1)	Governmental Activities: Certificates of Participation	Governmental Activities: Capital Leases	Governmental Activities: Bond Anticipation Notes (BANs)	Business-Type Activities: Capital Leases	Total District	Percentage of Personal Income (2)	Outstanding Debt Per Capita (3)
2019	$ 31,658,000	-	-	-	-	$ 31,658,000	N/A	N/A
2018	33,133,000	-	-	-	-	33,133,000	N/A	$ 2,274
2017	34,583,000	-	-	-	-	34,583,000	4.58%	2,377
2016	36,013,000	-	-	-	-	36,013,000	4.96%	2,473
2015	36,803,000	-	-	-	-	36,803,000	5.24%	2,550
2014	6,730,000	-	-	-	-	6,730,000	1.00%	465
2013	7,435,000	-	-	-	-	7,435,000	1.12%	512
2012	8,110,000	-	-	-	-	8,110,000	1.23%	555
2011	8,755,000	-	-	-	-	8,755,000	1.35%	598
2010	9,370,000	-	-	-	-	9,370,000	1.87%	639

N/A - Information not Available

Sources:
(1) District Records
(2) Personal income has been estimated based upon the municipal population and per capita personal income presented.
(3) Per capita personal income by municipality-estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

TOWNSHIP OF HADDON 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	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
2019	$ 31,658,000	-	$ 31,658,000	2.49%	Unavailable
2018	33,133,000	-	33,133,000	2.62%	$ 2,274
2017	34,583,000	-	34,583,000	2.75%	2,377
2016	36,013,000	-	36,013,000	2.87%	2,473
2015	36,748,000	-	36,748,000	2.92%	2,546
2014	6,730,000	-	6,730,000	0.53%	465
2013	7,435,000	-	7,435,000	0.59%	512
2012	8,110,000	-	8,110,000	0.64%	555
2011	8,755,000	-	8,755,000	0.69%	598
2010	9,370,000	-	9,370,000	1.51%	639

Sources:
(1) District Records
(2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
(3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF HADDON SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2018
Unaudited

	Gross Debt	Deductions	Statutory Net Debt Outstanding	Net Debt Outstanding Allocated to Haddon Township	Debt Authorized But Not Issued
Municipal Debt: (1)					
Haddon Township School District	$ 31,658,000.00	$ 31,658,000.00			
Haddon Township Water, Sewer Utility	13,537,964.82	8,667,239.02			
Haddon Township	25,490,511.00		$ 25,490,511.00	$ 25,490,511.00	
	70,686,475.82	40,325,239.02	25,490,511.00	25,490,511.00	$ -
Overlapping Debt Apportioned to the Municipality:					
County of Camden: (2)					
General:					
Bonds & Notes	72,331,125.00	4,597,984.00 (3)	67,733,141.00	2,424,285.82 (5)	28,877,825.00
Loan Agreement	308,746,532.00		308,746,532.00	11,050,570.36 (5)	
Bonds Issued by Other Public Bodies Guaranteed by the County	265,004,205.00	265,004,205.00 (4)			
	646,081,862.00	269,602,189.00	376,479,673.00	13,474,856.18	28,877,825.00
	$ 716,768,337.82	$ 309,927,428.02	$ 401,970,184.00	$ 38,965,367.18	$ 28,877,825.00

Sources:
(1) 2018 Annual Debt Statement
(2) County's 2018 Audit Report
(3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
(4) Deductible in accordance with N.J.S. 40:37A-80.
(5) Such debt is allocated as a proportion of the Issuer's share of the total 2018 Net Valuation on which County taxes are apportioned, which is 3.58%.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2019

	Equalized valuation basis (1)		
	2018	$ 1,385,585,692	
	2017	1,355,046,737	
	2016	1,338,645,278	
	[A]	$ 4,079,277,707	
Average equalized valuation of taxable property	**[A/3]**	$ 1,359,759,236	
Debt limit (4% of average equalization value) (2)	**[B]**	$ 54,390,369	**(1)**
Total Net Debt Applicable to Limit	**[C]**	31,658,000	
Legal Debt Margin	**[B-C]**	$ 22,732,369	

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt limit	$ 54,390,369.43	$ 54,390,369.43	$ 52,952,318.48	$ 52,855,289.04	$ 53,618,858.35	$ 53,618,858.35	$ 55,557,942.60	$ 56,220,520.45	$ 57,012,808.99	$ 56,273,103.49
Total net debt applicable to limit (3)	31,658,000.00	33,133,000.00	34,583,000.00	36,013,000.00	36,803,000.00	6,730,000.00	7,435,000.00	8,110,000.00	8,755,000.00	9,370,000.00
Legal debt margin	$ 22,732,369.43	$ 21,257,369.43	$ 18,369,318.48	$ 16,842,289.04	$ 16,815,858.35	$ 46,888,858.35	$ 48,122,942.60	$ 48,110,520.45	$ 48,257,808.99	$ 46,903,103.49
Total net debt applicable to the limit as a percentage of debt limit	58.21%	60.92%	65.31%	68.14%	68.64%	12.55%	13.38%	14.43%	15.36%	16.65%

Sources:
(1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
(2) Limit set by NJSA 18A:24-19 for a K through 12 district.
(3) District Records

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.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2018	14,568	Unavailable	Unavailable	2.9%
2017	14,551	$ 754,876,778	$ 51,878	3.2%
2016	14,560	725,612,160	49,836	3.4%
2015	14,432	701,958,048	48,639	4.0%
2014	14,466	675,055,890	46,665	4.8%
2013	14,520	665,079,032	45,080	4.7%
2012	14,601	660,488,391	44,500	7.2%
2011	14,647	649,281,720	43,751	7.1%
2010	14,675	620,612,080	41,834	7.3%
2009	11,448	604,015,284	41,160	6.9%

Source:
(1) Population information provided by the NJ Dept of Labor and Workforce Development
(2) Personal income has been estimated based upon the municipal population and per capita personal income presented
(3) Per capita personal income by municipality-estimated based upon the 2010 Census published by the US Bureau of Economic Analysis
(4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF HADDON SCHOOL DISTRICT
Principal Non-Governmental Employers
Current Year and Ten Years Ago
Unaudited

	2019			2010		
Employer	**Employees**	**Rank**	**Percentage of Total Municipal Employment**	**Employees**	**Rank**	**Percentage of Total Municipal Employment**
		1				
Information is not available		2				
		3				
		4				
		5				
		6				
		7				
		8				
		9				
		10				
	-			-		

Source: Individual Employers

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.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
Function/Program	2019	2018	2017	2016	2015	2014	2013	2012	2011 (A)	2010
Instruction										
Regular	128.0	128.0	128.0	128.0	128.2	128.0	127.0	124.2	121.4	151.5
Special education	82.0	61.0	62.0	58.0	57.0	45.0	45.0	40.1	39.7	33.0
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	33.0	31.0	31.0	31.0	30.6	37.8	36.3	36.9	36.4	28.0
General administrative services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.0
School administrative services	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.5	17.7	26.5
Business administrative services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.0
Plant operations and maintenance	31.0	31.2	30.5	30.5	30.5	30.0	30.0	31.7	31.0	30.0
Pupil transportation	18.5	18.5	18.5	17.0	17.0	17.0	18.2	18.7	18.7	23.0
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Community Education and Recreation	-	-	-	-	-	-	-	-	-	-
Total	317.5	294.7	295.0	289.5	288.3	282.8	281.5	277.1	273.9	301.0

Source: District Records

(A) During 2010-11 school year, the District changed employee count to align with N.J.D.O.E. budget schedule for budgeted full-time equivalents.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio Elementary	Pupil/Teacher Ratio Middle School	Pupil/Teacher Ratio High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2019	2,060	$ 46,071,805	$ 22,365	-6.42%	150 (a)	1:16.9	1:15.6	1:17.6	2,075	1,977	3.13%	95.28%
2018	2,022	48,323,588	23,899	9.30%	149 (a)	1:16.8	1:14.8	1:13.1	2,012	1,905	-2.42%	94.68%
2017	2,054	44,909,812	21,865	12.80%	149 (a)	1:17.7	1:15.8	1:12.4	2,062	1,942	-1.06%	94.18%
2016	2,079	40,296,620	19,383	16.36%	147 (a)	1:17.8	1:15.9	1:12.5	2,084	1,967	3.22%	94.39%
2015	2,116	38,317,303	16,657	3.92%	147 (a)	1:17.8	1:16.3	1:16.5	2,019	1,979	1.17%	94.18%
2014	2,063	33,884,476	16,029	5.85%	145 (a)	1:17.1	1:16.6	1:15.2	2,063	1,967	-2.18%	95.35%
2013	2,109	32,492,298	15,143	4.21%	143 (a)	1:17.5	1:17.5	1:16.8	2,109	1,981	-0.28%	93.93%
2012	2,115	31,394,438	14,532	2.44%	141 (a)	1:20.5	1:19.8	1:17.6	2,115	2,092	0.24%	98.91%
2011	2,110	30,756,094	14,186	-7.07%	139 (a)	1:20.7	1:18.0	1:17.0	2,110	2,005	-2.81%	95.02%
2010	2,171	33,821,837	15,265	6.45%	199	1:20.5	1:15.5	1:13.2	2,171	2,070	-0.14%	95.35%

(a) Teaching staff includes only Full-time equivalents of instructional, certificated staff.

Sources: District Records

TOWNSHIP OF HADDON SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
District Building										
Elementary										
Thomas Edison (1930, 2002)										
Square Feet	26,597	26,597	26,597	22,615	22,615	22,615	22,615	22,615	22,615	22,615
Capacity (students)	154	154	154	154	154	154	154	154	154	154
Enrollment	153	144	144	156	152	158	158	160	191	191
Clyde Jennings (1924, 2002)										
Square Feet	23,922	23,922	23,922	23,922	23,922	23,922	23,922	23,922	23,922	23,922
Capacity (students)	135	135	135	135	135	135	135	135	135	135
Enrollment	108	115	118	116	106	102	102	103	132	132
Stoy (1928, 1955)										
Square Feet	28,044	28,044	28,044	22,345	22,345	22,345	22,345	22,345	22,345	22,345
Capacity (students)	208	208	208	186	186	186	186	186	186	186
Enrollment	171	156	150	155	170	205	205	189	191	191
Strawbridge (1926, 1955)										
Square Feet	33,008	33,008	33,008	26,983	26,983	26,983	26,983	26,983	26,983	26,983
Capacity (students)	283	283	283	283	283	283	283	283	283	283
Enrollment	197	216	199	210	213	206	206	218	252	252
Van Sciver										
Square Feet	47,790	47,790	47,790	34,782	34,782	34,782	34,782	34,782	34,782	34,782
Capacity (students)	374	374	374	326	326	326	326	326	326	326
Enrollment	332	322	359	353	336	323	323	347	302	302
Wm. G. Rohrer Middle School (2003)										
Square Feet	46,454	46,454	46,454	46,454	46,454	46,454	46,454	46,454	46,454	46,454
Capacity (students)	476	476	476	476	476	476	476	476	476	476
Enrollment	471	457	476	469	488	484	484	493	471	471
Haddon Twp. High School (1951, 1964, 1994)										
Square Feet	184,877	184,877	184,877	184,877	184,877	184,877	184,877	184,877	184,877	184,877
Capacity (students)	785	785	785	785	785	785	785	785	785	785
Enrollment	632	612	608	620	651	629	629	605	632	632
Other										
Administration Building										
Square Feet	2,910	2,910	2,910	2,910	2,910	2,910	2,910	2,910	2,910	2,910

Number of Schools at June 30, 2019
- Elementary = 5
- Middle School = 1
- High School = 1
- Other = 3

Source: District Records

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years
Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES (11-000-261-XXX)

		Fiscal Year Ended June 30,									
School Facilities	School # (s)	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Haddon Township High School	050	$ 201,098	$ 219,792	$ 199,265	$ 221,768	$ 281,489	$ 258,082	$ 248,816	$ 212,589	$ 229,693	$ 290,108
Thomas A. Edison Elementary School	060	28,931	31,620	22,993	25,589	32,479	29,779	28,210	23,991	24,891	32,912
Clyde S. Jennings Elementary School	070	26,021	28,440	22,993	25,589	32,479	29,778	30,997	26,361	27,350	31,795
James Stoy Elementary School	080	30,505	33,340	26,824	29,853	37,893	34,742	32,437	27,586	28,621	51,989
Strawbridge Elementary School	090	35,904	39,242	19,160	21,324	27,066	24,816	26,485	22,524	23,369	45,501
Van Sciver Elementary School	100	51,983	56,815	49,817	55,442	70,372	64,520	61,820	52,574	44,397	42,000
Wm. G. Rohrer Middle School	110	50,530	55,227	42,152	46,912	59,546	54,594	53,130	45,184	46,880	45,382
Total School Facilities		$ 424,972	$ 464,476	$ 383,204	$ 426,477	$ 541,324	$ 496,310	$ 481,895	$ 410,809	$ 425,200	$ 539,688

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

Source: District Records

TOWNSHIP OF HADDON SCHOOL DISTRICT
Insurance Schedule
June 30, 2019
Unaudited

		Coverage	Deductible
Burlington County Insurance Pool Joint Insurance Fund:			
Property and Auto Physical Damage	(1)	$ 175,000,000	$ 500
Boiler and Machinery	(1)	125,000,000	1,000
Crime	(1)	500,000	500
Excess Liability	(1)	Various	-
General and Auto Liability	(2)	20,000,000	-
Workers Compensation	(4)	Statutory	-
Legal Liability:			
Educator's Legal Liability Policy	(3)	20,000,000	-
Pollution Legal Liability	(3)	3,000,000	25,000
Cyber Liability	(3)	1,000,000	25,000
Violent Malicious Acts	(3)	1,000,000	15,000
Disaster Management Services	(3)	2,000,000	15,000
Zurich American Insurance Company			
Student Accident	(1)	1,000,000.00	

(1) Limit each occurrence, No annual aggregate
(2) Limit each occurrence, annual unaggregated
(3) Per claim/ annual aggregate
(4) Each accident

Source: District Records

SINGLE AUDIT SECTION

Exhibit K-2

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND STATE OF NEW JERSEY CIRCULAR 15-08-OMB

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Haddon
Westmont, New Jersey 08108

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Haddon School District's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State 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, 2019. 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, 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 Township of Haddon School District's, in the County of Camden, State of New Jersey, compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Township of Haddon School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the Township of Haddon School District, in the County of Camden, State of New Jersey, 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 and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, 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 Township of Haddon 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 and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Public School Accountant No. CS 20CS00223300

Voorhees, New Jersey
December 4, 2019

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2019

Pass-through Grantor/Program Title	CFDA Number	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2018
General Fund:							
U.S. Department of Health and Human Services							
Passed-through New Jersey Department of Education							
Medicaid Administrative Claims Program (MAC)	93.778	1905NJ5MAP	N/A	$ 6,792.78	7-1-18	6-30-19	
Medical Assistance Program (SEMI)	93.778	1905NJ5MAP	N/A	31,010.74	7-1-18	6-30-19	
Total Medicaid Cluster							$ -
Total General Fund							-
Special Revenue Fund:							
U.S. Department of Education:							
Passed-through State Department of Education							
E.S.E.A.							
Title I - Grants to Local Educational Agencies	84.010	S010A180030	NCLB189019	150,319.00	7-1-18	6-30-19	
Title I - Grants to Local Educational Agencies	84.010	S010A170030	NCLB189018	149,387.00	7-1-17	6-30-18	(89,613.38)
Total Title I, Part A							(89,613.38)
Title II - Supporting Effective Instruction State Grants	84.367A	S367A180029	NCLB189019	44,871.00	7-1-18	6-30-19	-
Title II - Supporting Effective Instruction State Grants	84.367A	S367A170029	NCLB189018	36,105.00	7-1-17	6-30-18	(31,036.59)
Total Title II - Part A							(31,036.59)
Title III - English Language Acquisition	84.365A	S365A180030	NCLB189019	5,371.00	7-1-18	6-30-19	
Title III - English Language Acquisition (Immigrant	84.365A	S365A180030	NCLB189019	1,813.00	7-1-18	6-30-19	
Title III - English Language Acquisition (Immigrant	84.365A	S365A170030	NCLB189018	1,412.00	7-1-17	6-30-18	(133.21)
Total Title III							(133.21)
Title IV - Student Support and Academic Enrichment	84.424	S424A180031	NCLB189019	10,000.00	7-1-18	6-30-19	-
I.D.E.A. Part B:							
Special Education Cluster:							
Special Education Grants to States	84.027	H027A180030	IDEA189019	579,227.00	7-1-18	6-30-19	
Special Education Grants to States	84.027	H027A170030	IDEA189018	585,337.00	7-1-17	6-30-18	(66,973.42)
Special Education Preschool Grants	84.173	H173A180030	IDEA189019	16,985.00	7-1-18	6-30-19	
Special Education Preschool Grants	84.173	H173A170030	IDEA189018	16,523.00	7-1-17	6-30-18	(8,267.52)
Total I.D.E.A. Part B Special Education Cluste							(75,240.94)
Temporary Emergency Impact Aid	84.938C	Unavailable	Unavailable	20,500.00	7-1-17	6-30-18	(20,500.00)
Total Special Revenue Fund							(216,524.12)
Enterprise Fund:							
U.S. Department of Agriculture:							
Passed-through New Jersey Department of Agriculture							
Child Nutrition Cluster:							
Non-Cash Assistance (Food Distribution):							
National School Lunch Program	10.555	191NJ304N1099	Unavailable	35,578.56	7-1-18	6-30-19	
Cash Assistance:							
National School Breakfast Program	10.553	191NJ304N1099	Unavailable	8,032.05	7-1-18	6-30-19	
National School Breakfast Program	10.553	181NJ304N1099	Unavailable	7,102.97	7-1-17	6-30-18	(667.39)
National School Lunch Program	10.555	191NJ304N1099	Unavailable	125,740.16	7-1-18	6-30-19	
National School Lunch Program	10.555	181NJ304N1099	Unavailable	122,158.60	7-1-17	6-30-18	(8,838.11)
National School Snacks Program	10.555	191NJ304N1099	Unavailable	3,418.74	7-1-18	6-30-19	
National School Snacks Program	10.555	181NJ304N1099	Unavailable	4,132.40	7-1-17	6-30-18	(351.52)
Total Child Nutrition Cluster							(9,857.02)
Total Enterprise Fund							(9,857.02)
Total Federal Financial Assistance							$ (226,381.14)

(A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistanc

(B) The District allocation was transferred to Title II

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

Carry-over (Walkover) Amount	Cash Received	Budgetary Expenditures Pass-Through Funds	Budgetary Expenditures Direct Funds	Passed Through to Subrecepients	Adjustments (A)	Repayment of Prior Years' Balances	Balance at June 30, 2019 Accounts Receivable	Balance at June 30, 2019 Unearned Revenue	Balance at June 30, 2019 Due to Grantor
	$ 6,792.78	$ 6,792.78							
	31,010.74	31,010.74							
$ -	37,803.52	37,803.52	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	37,803.52	37,803.52	-	-	-	-	-	-	-
19,580.00	66,201.00	141,143.13			(19,580.00)		(103,698.00)	28,755.87	
(19,580.00)	89,613.00				19,580.38				
-	155,814.00	141,143.13	-	-	0.38	-	(103,698.00)	28,755.87	-
15,794.00	9,516.00	47,730.63			(15,794.00)		(51,149.00)	12,934.37	
(15,794.00)	31,037.00				15,793.59				
-	40,553.00	47,730.63	-	-	(0.41)	-	(51,149.00)	12,934.37	-
	5,371.00	5,371.00							
1,278.00		310.88			(1,278.00)		(3,091.00)	2,780.12	
(1,278.00)	134.00				1,277.21				
-	5,505.00	5,681.88	-	-	(0.79)	-	(3,091.00)	2,780.12	-
-	-	-	-	-	(B)	-	-	-	-
95,074.00	505,820.00	584,798.25			(95,074.00)		(168,481.00)	89,502.75	
(95,074.00)	66,973.00				95,074.42				
171.00	16,883.00	17,156.00			(171.00)		(273.00)		
(171.00)	16,536.00				170.52				8,268.00
-	606,212.00	601,954.25	-	-	(0.06)	-	(168,754.00)	89,502.75	8,268.00
-	20,250.00	-	-	-	4,417.00	4,167.00	-	-	-
-	828,334.00	796,509.89	-	-	4,416.12	4,167.00	(326,692.00)	133,973.11	8,268.00
	35,578.56	29,842.58						5,735.98	
	7,255.12	8,032.05					(776.93)		
	667.39								
	117,696.23	125,740.16					(8,043.93)		
	8,838.11								
	3,154.89	3,418.74					(263.85)		
	351.52								
-	173,541.82	167,033.53	-	-	-	-	(9,084.71)	5,735.98	-
-	173,541.82	167,033.53	-	-	-	-	(9,084.71)	5,735.98	-
$ -	$ 1,039,679.34	$ 1,001,346.94	$ -	$ -	$ 4,416.12	$ 4,167.00	$ (335,776.71)	$ 139,709.09	$ 8,268.00

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2019

State Grantor/ Program or Cluster Title	Grant or State Project Number	Program Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2018 Unearned Revenue/ Accounts Receivable	Balance at June 30, 2018 Due to Grantor
General Fund:						
New Jersey Department of Education:						
State Aid - Public Cluster:						
Equalization Aid	19-495-034-5120-078	$ 7,088,284.00	7-1-18	6-30-19		
Equalization Aid	18-495-034-5120-078	7,088,284.00	7-1-17	6-30-18	$ (662,041.01)	
Special Education Categorical Aid	19-495-034-5120-089	1,110,592.00	7-1-18	6-30-19		
Special Education Categorical Aid	18-495-034-5120-089	1,181,261.00	7-1-17	6-30-18	(110,328.99)	
Security Aid	18-495-034-5120-084	44,199.00	7-1-17	6-30-18	(4,128.16)	
Per Pupil Growth Aid	18-495-034-5120-097	19,715.00	7-1-17	6-30-18	(1,841.37)	
PARCC Readiness Aid	18-495-034-5120-098	19,715.00	7-1-17	6-30-18	(1,841.37)	
Professional Learning Community Aid	18-495-034-5120-101	19,915.00	7-1-17	6-30-18	(1,860.05)	
Total State Aid - Public Cluster					(782,040.95)	$ -
Transportation Aid:						
Categorical Transportation Aid	18-495-034-5120-014	74,530.00	7-1-17	6-30-18	(6,961.05)	
Additional Nonpublic School Transportation Aid	19-495-034-5120-014	10,440.00	7-1-18	6-30-19		
Additional Nonpublic School Transportation Aid	18-495-034-5120-014	11,310.00	7-1-17	6-30-18	(11,310.00)	
Total Transportation Aid					(18,271.05)	-
Extraordinary Special Education Costs Aid	19-495-034-5120-044	342,436.00	7-1-18	6-30-19		
Extraordinary Special Education Costs Aid	18-495-034-5120-044	217,320.00	7-1-17	6-30-18	(217,320.00)	
Total Extraordinary Special Education Costs Aid					(217,320.00)	-
Reimbursed T.P.A.F. Social Security Aid	19-495-034-5094-003	1,048,607.07	7-1-18	6-30-19		
Reimbursed T.P.A.F. Social Security Aid	18-495-034-5094-003	1,025,524.74	7-1-17	6-30-18	(5,670.83)	
Total Reimbursed T.P.A.F. Social Security Aid					(5,670.83)	-
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical	495-034-5094-001	1,223,116.00	7-1-18	6-30-19		
On-behalf T.P.A.F. Pension Contributions - Normal Cost	495-034-5094-002	2,641,186.00	7-1-18	6-30-19		
On-Behalf T.P.A.F. Non-Contributory Insurance	495-034-5094-004	55,287.00	7-1-18	6-30-19		
On-behalf T.P.A.F. - Long-Term Disability Insurance Contribution	495-034-5094-004	2,995.00	7-1-18	6-30-19		
Total On-Behalf TPAF Pension Contributions (non-budgeted)					-	-
Total General Fund					(1,023,302.83)	-
Special Revenue Fund:						
New Jersey Department of Education:						
Nonpublic Aid:						
Textbook Aid (Ch. 194, L. 1977)	19-100-034-5120-064	54,254.00	7-1-18	6-30-19		
Textbook Aid (Ch. 194, L. 1977)	18-100-034-5120-064	58,122.00	7-1-17	6-30-18		279.14
Total Textbook Aid (Ch. 194, L. 1977)					-	279.14
Auxiliary Services (Ch. 192, L. 1977)	19-100-034-5120-067					
Compensatory Education		137,903.00	7-1-18	6-30-19		
Home Instruction		5,532.44	7-1-18	6-30-19		
Auxiliary Services (Ch. 192, L. 1977)	18-100-034-5120-067					
Compensatory Education		131,990.00	7-1-17	6-30-18		34,286.26
English as a Second Language		1,265.00	7-1-17	6-30-18		1,265.00
Home Instruction		15,995.32	7-1-17	6-30-18	(15,995.32)	
Total Auxiliary Services (Ch. 192, L. 1977)					(15,995.32)	35,551.26
Handicapped Services (Ch. 193, L. 1977)	19-100-034-5120-066					
Corrective Speech		8,928.00	7-1-18	6-30-19		
Examination and Classification		66,984.00	7-1-18	6-30-19		
Supplementary Instruction		71,367.00	7-1-18	6-30-19		
Handicapped Services (Ch. 193, L. 1977)	18-100-034-5120-066					
Corrective Speech		7,143.00	7-1-17	6-30-18		3,921.24
Examination and Classification		79,364.00	7-1-17	6-30-18		22,387.20
Supplementary Instruction		68,195.00	7-1-17	6-30-18		10,313.30
Total Handicapped Services (Ch. 193, L. 1977)					-	36,621.74
Nursing Services	19-100-034-5120-070	102,335.00	7-1-18	6-30-19		
Nursing Services	18-100-034-5120-070	107,282.00	7-1-17	6-30-18		8,757.49
Total Nursing Services					-	8,757.49
Technology Initiative Program	19-100-034-5120-373	36,576.00	7-1-18	6-30-19	-	-
Security Aid Program	19-100-034-5120-509	158,250.00	7-1-18	6-30-19	-	-
Total Special Revenue Fund					(15,995.32)	81,209.63
Capital Projects Fund:						
New Jersey Department of Education:						
Education Facilities & Construction Grant	4790-020-10-1001	9,097,786.00	5-2-14	Open	(1,545,703.42)	-
Debt Service Fund:						
New Jersey Department of Education:						
Debt Service Aid Type II	19-495-034-5120-075	240,967.00	7-1-18	6-30-19	-	-

					Balance at June 30, 2019			Memo	
Cash Received	Adjustments (A)	Total Budgetary Expenditures	Passed-Through to Subrecipients	Repayment of Prior Years' Balances	Accounts Receivable	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2018	Cumulative Total Expenditures
$ 6,415,180.78		$ 7,088,284.00			$ (673,103.22)			$ (673,103.22)	$ 7,088,284.00
662,041.01									
1,005,130.22		1,110,592.00			(105,461.78)			(105,461.78)	1,110,592.00
110,328.99									
4,128.16									
1,841.37									
1,841.37									
1,860.05									
8,202,351.95	$ -	8,198,876.00	$ -	$ -	(778,565.00)	$ -	$ -	(778,565.00)	8,198,876.00
6,961.05									
		10,440.00			(10,440.00)				10,440.00
11,310.00									
18,271.05	-	10,440.00	-	-	(10,440.00)	-	-	-	10,440.00
		342,436.00			(342,436.00)				342,436.00
217,320.00									
217,320.00	-	342,436.00	-	-	(342,436.00)	-	-	-	342,436.00
997,080.51		1,048,607.07			(51,526.56)				1,048,607.07
5,670.83									-
1,002,751.34	-	1,048,607.07	-	-	(51,526.56)	-	-	-	1,048,607.07
1,223,116.00		1,223,116.00							1,223,116.00
2,641,186.00		2,641,186.00							2,641,186.00
55,287.00		55,287.00							55,287.00
2,995.00		2,995.00							2,995.00
3,922,584.00	-	3,922,584.00	-	-	-	-	-	-	3,922,584.00
13,363,278.34	-	13,522,943.07	-	-	(1,182,967.56)	-	-	(778,565.00)	13,522,943.07
54,254.00		52,813.87					1,440.13		52,813.87
	(0.14)			279.00					-
54,254.00	(0.14)	52,813.87	-	279.00	-	-	1,440.13	-	52,813.87
137,903.00		63,534.60					74,368.40		63,534.60
		5,532.44			(5,532.44)				5,532.44
	(0.26)			34,286.00					
				1,265.00					
15,995.00	0.32								
153,898.00	0.06	69,067.04	-	35,551.00	(5,532.44)	-	74,368.40	-	69,067.04
8,928.00		3,214.08					5,713.92		3,214.08
66,984.00		64,437.12					2,546.88		64,437.12
71,367.00		61,449.75					9,917.25		61,449.75
	(0.24)		(B)	3,921.00					
	(0.20)		(B)	22,387.00					
	(0.30)		(B)	10,313.00					
147,279.00	(0.74)	129,100.95	-	36,621.00	-	-	18,178.05	-	129,100.95
102,335.00		102,334.74					0.26		71,383.74
	(0.49)			8,757.00					
102,335.00	(0.49)	102,334.74	-	8,757.00	-	-	0.26	-	71,383.74
36,576.00	-	36,576.00	-	-	-	-	-	-	36,576.00
158,250.00	-	156,443.00	-	-	-	-	1,807.00	-	156,443.00
652,592.00	(1.31)	546,335.60	-	81,208.00	(5,532.44)	-	95,793.84	-	515,384.60
1,598,067.90	(249,975.40)	257,278.38	-	-	(454,889.30)		-	-	9,097,786.00
240,967.00	-	240,967.00	-	-	-	-	-	-	240,967.00

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2019

State Grantor/ Program or Cluster Title	Grant or State Project Number	Program Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2018 Unearned Revenue/ Accounts Receivable	Balance at June 30, 2018 Due to Grantor
Enterprise Fund:						
New Jersey Department of Agriculture:						
State School Lunch Aid	19-100-010-3350-023	$ 4,469.58	7-1-18	6-30-19		
State School Lunch Aid	18-100-010-3350-023	4,216.50	7-1-17	6-30-18	$ (318.75)	
Total Enterprise Fund					(318.75)	$ -
Total State Financial Assistance					(2,585,320.32)	81,209.63
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:						
General Fund (Non-Cash Assistance):						
New Jersey Department of Education:						
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical	495-034-5094-001	1,223,116.00	7-1-18	6-30-19		
On-behalf T.P.A.F. Pension Contributions - Normal Cost	495-034-5094-002	2,641,186.00	7-1-18	6-30-19		
On-Behalf T.P.A.F. Non-Contributory Insurance (non-budgeted)	495-034-5094-004	55,287.00	7-1-18	6-30-19		
On-behalf T.P.A.F. - Long-Term Disability Insurance Contribution	495-034-5094-004	2,995.00	7-1-18	6-30-19		
Total General Fund (Non-Cash Assistance)						
Total State Financial Assistance Subject to Major Program Determination for State Single Audit						

(A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
(B) Passed through to Camden County Educational Services Commission

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

					Balance at June 30, 2019			Memo	
Cash Received	Adjustments (A)	Total Budgetary Expenditures	Passed-Through to Subrecipients	Repayment of Prior Years' Balances	Accounts Receivable	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2018	Cumulative Total Expenditures
$ 4,183.82		$ 4,469.58			$ (285.76)				$ 4,469.58
318.75									-
4,502.57	$ -	4,469.58	$ -	$ -	(285.76)	$ -	$ -	$ -	4,469.58
15,859,407.81	(249,976.71)	14,571,993.63	-	81,208.00	(1,643,675.06)	-	95,793.84	(778,565.00)	23,381,550.25

1,223,116.00
2,641,186.00
55,287.00
2,995.00
3,922,584.00
$ 10,649,409.63

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2019

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance ("the schedules") include federal and state award activity of the Township of Haddon School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District's 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 State of New Jersey Circular 15-08-OMB, *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, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise fund are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District's basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3: INDIRECT COST RATE

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the State deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the budgetary basis that 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 June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $10,437.00 for the general fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance revenues reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

Fund	Federal	State	Total
General	$ 37,803.52	$ 13,533,380.07	$ 13,571,183.59
Special Revenue	796,509.89	546,335.60	1,342,845.49
Capital Projects	-	257,278.38	257,278.38
Debt Service	-	240,967.00	240,967.00
Food Service	167,033.53	4,469.58	171,503.11
GAAP Basis Revenues	1,001,346.94	14,582,430.63	15,583,777.57
GAAP Adjustments:			
State Aid Payments	-	(10,437.00)	(10,437.00)
Total Awards and Financial Assistance Expended	$ 1,001,346.94	$ 14,571,993.63	$ 15,573,340.57

Note 5: 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 6: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent:

Reallocation of Prior Year Expenses:	
Emergancy Impact Aid	$ 4,417.00
Education Facilities & Construction Grant	(249,975.40)
Rounding	(2.19)
	$ (245,560.59)

Note 7: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2019, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 8: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs.*

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes __x__ no
Significant deficiency(ies) identified?	__x__ yes ____ none reported
Noncompliance material to financial statements noted?	____ yes __x__ no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	____ yes __x__ no
Significant deficiency(ies) identified?	____ yes __x__ none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)?	____ yes __x__ no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
		Special Education Cluster:
84.027	H027A180030	I.D.E.A. Part B Basic
84.173	H173A180030	I.D.E.A. Part B Preschool Incentive

Dollar threshold used to determine Type A programs	$750,000.00
Auditee qualified as low-risk auditee?	__x__ yes ____ no

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? ____ yes __x__ no

Significant deficiency(ies) identified? ____ yes __x__ none reported

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

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

Identification of major programs:

GMIS Number(s)	Name of State Program
	State Aid Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5094-003	Reimbursed TPAF Social Security Aid

Dollar threshold used to determine Type A programs: $750,000.00

Auditee qualified as low-risk auditee? __x__ yes ____ no

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019

Section 2- Schedule of Financial Statement Findings

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

Finding No. 2019-001

Criteria or Specific Requirement
District's designed internal control require the approval of all purchase orders by authorized management personnel prior to the processing of an order.

Condition
The District did not comply with its designed internal control regarding obtaining proper approval, by authorized management personnel, prior to the processing of purchase orders.

Context
In accordance with District internal control, the Business Administrator must authorize the processing of a purchase order. Our tests of purchase orders and corresponding controls indicated instances where purchase orders were not approved prior to the processing of an order.

Effect
The District did not comply with its designed control and items may have been ordered that were not necessary for the operation of the school district.

Cause
Unknown

Recommendation
That the District comply with its designed internal control regarding the proper approval of purchase orders, by authorized management personnel, prior to the processing of purchase orders.

View of Responsible Officials and Planned Corrective Action
The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

N/A - None

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

N/A - None

TOWNSHIP OF HADDON SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

N/A - None

FEDERAL AWARDS

N/A - None

STATE FINANCIAL ASSISTANCE PROGRAMS

N/A - None