

SCHOOL DISTRICT  
OF  
**MAPLE SHADE**



Maple Shade Board of Education  
Maple Shade, New Jersey

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2017

**Comprehensive Annual  
Financial Report**

**of the**

**Maple Shade Board of Education**

**Maple Shade, New Jersey**

**For the Fiscal Year Ended June 30, 2017**

**Prepared by  
Maple Shade Board of Education  
Finance Department**

# MAPLE SHADE SCHOOL DISTRICT

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## **Introductory Section**

# MAPLE SHADE BOARD OF EDUCATION

## Administration Building

170 Frederick Avenue, Maple Shade, N.J. 08052-3299

Beth Norcia  
*Superintendent of Schools*

Diana Cawood  
*Business Administrator/Board Secretary*



October 12, 2017

Honorable President and  
Members of the Board of Education  
Maple Shade Township Public Schools  
Maple Shade, N. J. 08052

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Maple Shade Township School District for the fiscal year ended June 30, 2017. This CAFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation 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 general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 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 the internal control structure and compliance with applicable laws and regulations, findings, and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:**

The Maple Shade Public Schools is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Maple Shade Public 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 all educational programs aligned with the New Jersey Core Content Standards for both regular education and special needs students. The Maple Shade school district completed the 2016-2017 fiscal year with an enrollment of 2,185 students based upon the average daily enrollment (ADE). The following details the changes in the student enrollment of the District over the last 10 years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2006-07	2,082	(3.03%)
2007-08	2,026	(2.69%)
2008-09	2,008	(.89%)
2009-10	2,076	3.39%
2010-11	2,133	2.75%
2011-12	2,155	(1.03%)
2012-13	2,085	(3.25%)
2013-14	2,181	4.60%
2014-15	2,233	2.38%
2015-16	2,185	(2.15%)

2) **ECONOMIC CONDITION AND OUTLOOK:**

The district received additional state funding for this 2017-2018 school year with the promise of getting additional aid for the next several years as part of the School Funding Reform Act. If this promise comes to fruition, we are looking at adding back programs and staff cut from previous years. We settled with all three bargaining groups in this school year. While percentage agreement was over the 2% for each group, we will see savings from changes in waiver payments and cost of healthcare.

3) **MAJOR INITIATIVES:**

This year's projects include:

- Pre-school inclusion classroom
- Additional support staff- District Librarian, HS Vice Principal, Literacy Coach, Guidance counselor
- Restructuring of district offices

4) **INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft 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 and state financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the district management.

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

5) **BUDGETARY CONTROLS:**

In addition to internal controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital project 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 reservations of fund balance of June 30, 2017.

6) CASH MANAGEMENT:

The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements." 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 required governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7) 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.

8) OTHER INFORMATION:

Independent Audit-State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Inverso & Stewart, CPA. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 15-08 OMB. The auditor's report on the general-purpose financial statements and combining any 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.

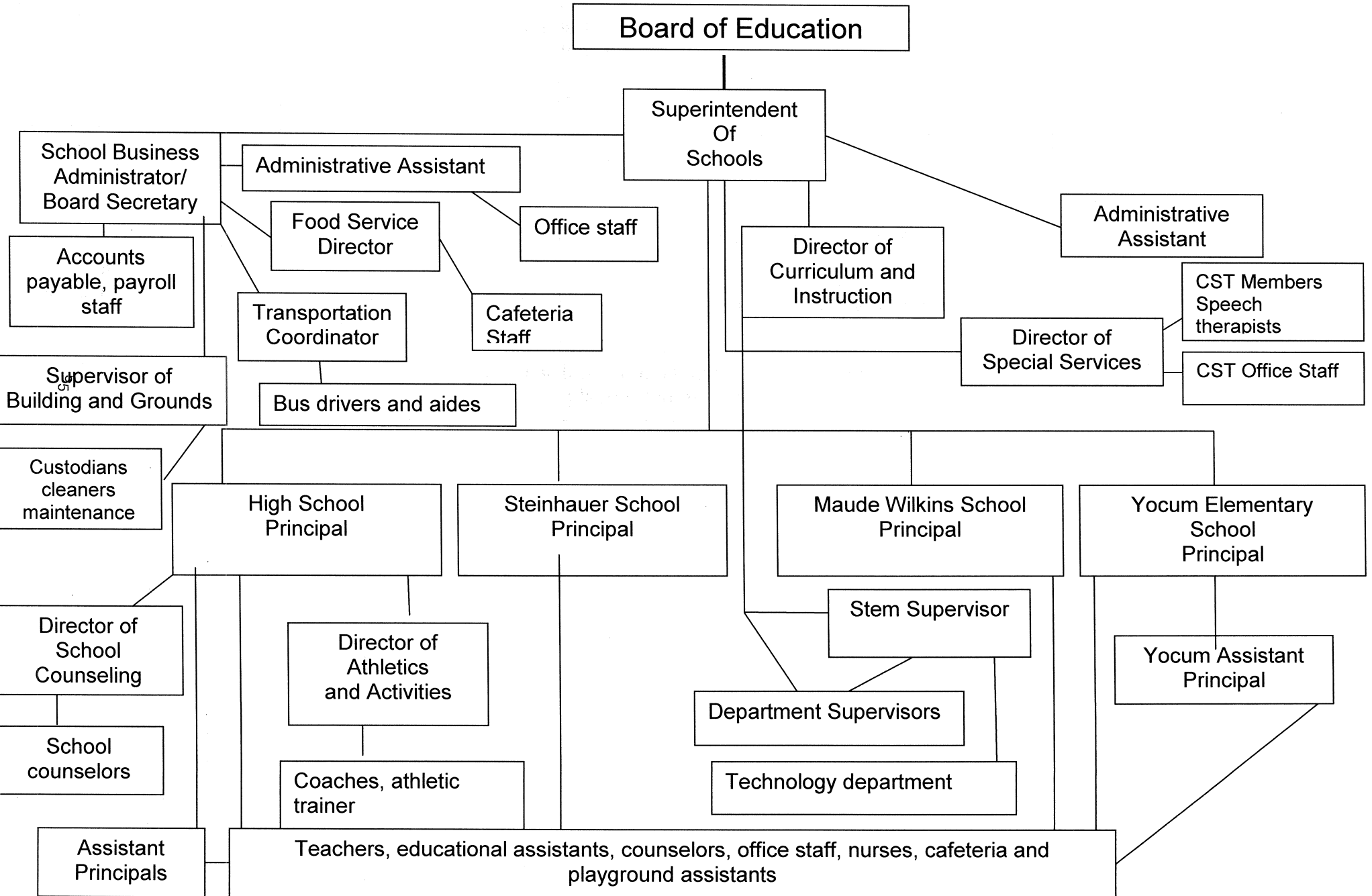
9) ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Maple Shade 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. We further extend our appreciation to the district personnel who on a day-to-day basis help carry out financial transactions in a responsible, efficient, and dedicated manner.

  
Beth Norcia  
Superintendent of Schools

  
Diana Cawood  
School Business Administrator  
Board Secretary

# ORGANIZATIONAL CHART



**MAPLE SHADE BOARD OF EDUCATION  
MAPLE SHADE, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2017**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Michael R. McClure - President	2017
Stephen Steglik - Vice President	2019
Heather Gatton	2018
Margaret Long	2016
Lynda Lorierzo	2018
William Natale	2017
Craig Schaal	2019
Ellen R. Wiest	2019

**Other Officials**

Beth Norcia, Superintendent  
Diana Cawood, Board Secretary &  
School Business Administrator  
Thomas W. Egan, Jr, Treasurer  
Frank Cavallo, Esq., Solicitor

**MAPLE SHADE SCHOOL DISTRICT  
Consultants and Advisors**

**Audit Firm**

Inverso & Stewart, LLC  
651 Route 73 North, Suite 402  
Marlton, NJ 08053

**Attorney**

Frank Cavallo, Esq.  
Parker McCay P.A.  
9000 Midlantic Drive, Suite 300  
P.O. Box 5054  
Mount Laurel, NJ 08054

**Official Depository**

Columbia Savings Bank  
253 East Main Street  
Maple Shade, NJ 08052



**Financial Section**

**INVERSO & STEWART, LLC**  
Certified Public Accountants

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-Member of-  
American Institute of CPAs  
New Jersey Society of CPAs

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Maple Shade School District  
County of Burlington  
Maple Shade, New Jersey

***Report on the Financial Statements***

I 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 Maple Shade School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2017, 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***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

## ***Opinions***

In my 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 Maple Shade School District, in the County of Burlington, State of New Jersey, as of June 30, 2017, 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, and schedule of the School District's contributions, 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. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Maple Shade School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, statistical section, and schedule of expenditures of federal awards 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 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, 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, 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 my 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 and statistical sections 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, I do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated October 12, 2017 on my consideration of the Maple Shade School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Maple Shade School District's internal control over financial reporting and compliance.

***INVERSO & STEWART, LLC***  
Certified Public Accountants

A handwritten signature in black ink, appearing to read 'R. P. A.', written in a cursive style.

Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
October 12, 2017

***INVERSO & STEWART, LLC***  
**Certified Public Accountants**

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-Member of-  
 American Institute of CPAs  
 New Jersey Society of CPAs

**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  
 Maple Shade School District  
 County of Burlington  
 Maple Shade, New Jersey

I 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 the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the 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 Maple Shade School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated October 12, 2017.

***Internal Control Over Financial Reporting***

In planning and performing my audit of the financial statements, I considered the Maple Shade 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 my 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, I do not express an opinion on the effectiveness of the Maple Shade 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.

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

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Maple Shade School District's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is 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 which is described in the accompanying *Schedule of Findings and Questioned Costs and Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* as finding no: 2017-001.

***The Maple Shade School District's Response to Findings***

The Maple Shade School District's response to the finding identified in my 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, I express no opinion on it.

***Purpose of this Report***

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

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
October 12, 2017

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Maple Shade Township School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017**

As management of the Board of Education of Maple Shade Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$3,935,324 (*net position*).
- Governmental activities have unrestricted net position deficit of \$12,915,759. The accounting treatments in the governmental funds for compensated absences payable, net pension liability and the last two state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District decreased \$922,386 from the prior fiscal year-end balance. The majority of the decrease is attributable to the results of operations in the General Fund.
- Fund balance of the School District's governmental funds increased by \$485 resulting in an ending fund balance of \$3,623,829. The majority of this increase is due to the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$560,387, which may be used to meet the School District's ongoing obligations of the food service operations, school store and school age child care program.
- The School District's long-term obligations increased by \$2,464,946 which is the result of the payment of bonds, a new capital lease, and an increase in compensated absences.

**Overview of the Basic Financial Statements**

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

**District-wide Financial Statements**

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



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

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

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities consolidate the Food Service Fund, School Store and the School Age Child Care Program.

### **Fund Financial Statements**

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

*Governmental funds* account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

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

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

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

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

The School District's three enterprise funds (Food Service Fund, School Store and School Age Child Care Program) are listed individually and are considered to be major funds.

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

## **Notes to the Basic Financial Statements**

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

### **District-wide Financial Analysis**

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2017. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2017.

The liabilities of the primary government activities exceeded assets by \$3,311,786 with an unrestricted deficit balance of \$12,915,759. The net position of the primary government does not include internal balances.

A net investment of \$12,524,556 in land, improvements, buildings, equipment and vehicles provides services to the School District's 2,163 public school students. Net position of \$685,131 has been restricted to provide resources for future capital expansion and renovation projects. Also, \$439,643 has been restricted for maintenance reserve while \$2,578,215 has been restricted for budget appropriation.

As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable and the last two state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

**Maple Shade Township School District  
Comparative Summary of Net Position  
As of June 30, 2017 and 2016**

	Governmental Activities		Business-Type Activities		District-Wide	
	2017	2016	2017	2016	2017	2016
Assets:						
Current assets	\$ 3,781,300	\$ 3,634,434	\$ 598,190	\$ 550,083	\$ 4,379,490	\$ 4,184,517
Capital assets	<u>27,272,536</u>	<u>28,122,526</u>	<u>63,151</u>	<u>75,294</u>	<u>27,335,687</u>	<u>28,197,820</u>
Total assets	<u>31,053,836</u>	<u>31,756,960</u>	<u>661,341</u>	<u>625,377</u>	<u>31,715,177</u>	<u>32,382,337</u>
Deferred Outflows of Resources	<u>4,577,190</u>	<u>1,952,913</u>			<u>4,577,190</u>	<u>1,952,913</u>
Liabilities:						
Current Liabilities	2,394,479	1,750,809	14,485	15,561	2,408,964	1,766,370
Noncurrent Liabilities	<u>29,896,060</u>	<u>27,467,542</u>	<u>23,318</u>	<u>25,741</u>	<u>29,919,378</u>	<u>27,493,283</u>
Total liabilities	<u>32,290,539</u>	<u>29,218,351</u>	<u>37,803</u>	<u>41,302</u>	<u>32,328,342</u>	<u>29,259,653</u>
Deferred Inflows of Resources	<u>28,701</u>	<u>217,887</u>			<u>28,701</u>	<u>217,887</u>
Net position	<u>\$ 3,311,786</u>	<u>\$ 4,273,635</u>	<u>\$ 623,538</u>	<u>\$ 584,075</u>	<u>\$ 3,935,324</u>	<u>\$ 4,857,710</u>
Net position consists of:						
Invested in capital						
Assets	\$ 12,524,556	\$ 11,766,184	\$ 63,151	\$ 75,294	\$ 12,587,707	\$ 11,841,478
Restricted net position	3,702,989	3,735,127			3,702,989	3,735,127
Unrestricted net position	<u>(12,915,759)</u>	<u>(11,227,676)</u>	<u>560,387</u>	<u>508,781</u>	<u>(12,355,372)</u>	<u>(10,718,895)</u>
Net position	<u>\$ 3,311,786</u>	<u>\$ 4,273,635</u>	<u>\$ 623,538</u>	<u>\$ 584,075</u>	<u>\$ 3,935,324</u>	<u>\$ 4,857,710</u>

**Maple Shade Township School District**  
**Comparative Schedule of Changes in Net Position**  
**As of and for the Fiscal Years Ended June 30, 2017 and 2016**

	Governmental Activities		Business-Type Activities		District-Wide	
	2017	2016	2017	2016	2017	2016
<b>Revenues:</b>						
<b>Program Revenues</b>						
Charges for services			\$ 758,323	\$ 781,920	\$ 758,323	\$ 781,920
Operating grants and Contributions	\$ 5,687,283	\$ 5,339,069	646,455	626,720	6,333,738	5,965,789
Capital grants and Contributions						
<b>General Revenues:</b>						
Property Taxes	25,968,571	25,014,219			25,968,571	25,014,219
Unrestricted State Aid	8,989,948	8,772,697			8,989,948	8,772,697
Tuition	186,537	186,118			186,537	186,118
Other Revenues	226,681	255,529	5,993	557	232,674	256,086
<b>Total Revenues</b>	<b>41,059,020</b>	<b>39,567,632</b>	<b>1,410,771</b>	<b>1,409,197</b>	<b>42,469,791</b>	<b>40,976,829</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	17,350,648	17,513,021			17,350,648	17,513,021
Tuition	1,312,550	1,144,050			1,312,550	1,144,050
Related Services	4,036,584	4,043,375			4,036,584	4,043,375
Administrative Services	2,010,788	2,025,918			2,010,788	2,025,918
Operations and Maintenance	3,495,626	3,383,024			3,495,626	3,383,024
Transportation	997,102	967,450			997,102	967,450
Central Services	557,117	532,846			557,117	532,846
Employee benefits	11,765,114	9,719,254			11,765,114	9,719,254
Interest on long-term Debt	460,596	498,460			460,596	498,460
Other	34,744	48,063			34,744	48,063
<b>Business-Type Activities:</b>						
Food Service Operations			1,081,050	1,094,282	1,081,050	1,094,282
School Store			8,526	5,704	8,526	5,704
SACC Program			281,732	279,291	281,732	279,291
<b>Total Expenses</b>	<b>42,020,869</b>	<b>39,875,461</b>	<b>1,371,308</b>	<b>1,379,277</b>	<b>43,392,177</b>	<b>41,254,738</b>
<b>Increase in net position</b>						
Before transfers	(961,849)	(307,829)	39,463	29,920	(922,386)	(277,909)
Transfers						
<b>Changes in net position</b>	<b>(961,849)</b>	<b>(307,829)</b>	<b>39,463</b>	<b>29,920</b>	<b>(922,386)</b>	<b>(277,909)</b>
Net position, July 1,	4,273,635	4,581,464	584,075	554,155	4,857,710	5,135,619
<b>Net position, June 30,</b>	<b>\$ 3,311,786</b>	<b>\$ 4,273,635</b>	<b>\$ 623,538</b>	<b>\$ 584,075</b>	<b>\$ 3,935,324</b>	<b>\$ 4,857,710</b>

## **Governmental Activities**

Governmental activities decreased the net position of the School District by \$961,849 during the current fiscal year. Key elements of the decrease in net position for governmental activities are as follows:

- Serial bonds decreased by \$1,505,000.
- Results of operations in the Governmental Funds increased \$485.
- Depreciation expense of \$954,147.

## **Business-type Activities**

Business-type activities increased the School District's net position slightly. Key elements of the increase in net position for business-type activities are as follows:

- The Food Service Fund and School Store had a net losses of \$28,417 and \$924 respectively, while School Age Child Care had a net gain of \$68,804.

## **Financial Analysis of the Governmental Funds**

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

*Governmental Funds* - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$3,623,829, an increase of \$485 in comparison with the prior year. The majority of the decrease is attributable to the results of operations in the general fund.

The unassigned fund balance for the School District at the end of the fiscal year includes a deficit unassigned fund balance for the General Fund of \$79,160. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$685,131, 2) \$1,332,000 appropriated as a revenue source in the subsequent year's budget, 3) \$439,643 reserved for maintenance, 4) \$1,246,215 reserved for excess surplus.

## **General Fund Budgetary Highlights**

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the general fund was \$701,056 while total fund balance (budgetary basis) was \$4,404,045. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$37,753,235. Unreserved fund balance (budgetary basis) represents 1.9% of expenditures while total fund balance (budgetary basis) represents 11.7% of that same amount.

### Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2017, totaled \$27,335,687 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$862,133, or a 3.06% decrease. The decrease is due to depreciation less any additions.

#### Capital Asset (net of accumulated depreciation) June 30, 2017 and 2016

	Governmental Activities		Business-Type Activities		District-Wide	
	2017	2016	2017	2016	2017	2016
Land	\$ 412,248	\$ 412,248			\$ 412,248	\$ 412,248
Buildings and Building Improvements	26,516,909	27,311,896			26,516,909	27,311,896
Equipment	343,379	398,382	\$ 63,151	\$ 75,294	406,530	473,676
<b>Total</b>	<b>\$ 27,272,536</b>	<b>\$ 28,122,526</b>	<b>\$ 63,151</b>	<b>\$ 91,632</b>	<b>\$ 27,335,687</b>	<b>\$ 28,197,820</b>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

*Long-term debt* – During the fiscal year ended June 30, 2017, the School District had \$14,470,000 in serial bonds payable, \$188,085 in capital leases, and \$1,705,893 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$55,507,094. The available amount as of June 30, 2017 is \$41,037,094.

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

### Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2017-2018 fiscal year.

- For the 2017-18 fiscal year the School District will be receiving no increase in state aid. The local tax levy in the General Fund increased \$612,230 over the previous year, resulting in a 2.53 percent increase. Salaries continue to increase contractually; however, the District has managed to control costs. The 2017-18 General Fund Budget is \$287,569 less than the previous year or a 3.81 % decrease. The tax rate for 2017 increased to \$2.076 from \$2.018 in 2016.

### **For the Future**

The Maple Shade Township School District is in good financial condition presently. However, a major concern is the reliance on local property taxes as state aid has remained stagnant. Maple Shade is primarily a residential community with few large ratables; thus the burden is focused on homeowners to share the tax burden.

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

### **Requests for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Maple Shade Township School District Business Administrator, 170 Frederick Avenue, Maple Shade, New Jersey, 08052.

## Basic Financial Statements



District-Wide Financial Statements

**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2017**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 2,109,920	\$ 646,434	\$ 2,756,354
Receivables, Net	855,155	58,156	913,311
Inventory		24,694	24,694
Internal balance	131,094	(131,094)	-
Restricted Assets:			
Capital Reserve Account	685,131		685,131
Capital Assets, Net (Note 5)	27,272,536	63,151	27,335,687
Total assets	<u>31,053,836</u>	<u>661,341</u>	<u>31,715,177</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	<u>4,577,190</u>		<u>4,577,190</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	<u>35,631,026</u>	<u>661,341</u>	<u>36,292,367</u>
<b>LIABILITIES:</b>			
Accounts Payable			
Related to pension	473,824		473,824
Other	117,446	1,679	119,125
Payable to state government	35,143		35,143
Other liabilities	4,882		4,882
Unearned revenue		12,806	12,806
Accrued Interest	118,394		118,394
Noncurrent liabilities:			
Due within one year	1,644,790		1,644,790
Due beyond one year	29,896,060	23,318	29,919,378
Total liabilities	<u>32,290,539</u>	<u>37,803</u>	<u>32,328,342</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of resources from pensions	<u>28,701</u>		<u>28,701</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	<u>32,319,240</u>	<u>37,803</u>	<u>32,357,043</u>
<b>NET POSITION:</b>			
Net investment in capital assets	12,524,556	63,151	12,587,707
Restricted for:			
Capital Projects	685,131		685,131
Other purposes	3,017,858		3,017,858
Unrestricted	(12,915,759)	560,387	(12,355,372)
Total net position	<u>\$ 3,311,786</u>	<u>\$ 623,538</u>	<u>\$ 3,935,324</u>

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

**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$ 11,083,681	\$ -	\$ 474,646	\$ (10,609,035)	\$ -	\$ (10,609,035)
Special Education	5,414,491		596,189	(4,818,302)		(4,818,302)
Other instruction	852,476			(852,476)		(852,476)
Support Services:						
Tuition	1,312,550			(1,312,550)		(1,312,550)
Student & instruction related services	4,036,584		121,512	(3,915,072)		(3,915,072)
General administrative services	570,067			(570,067)		(570,067)
School administrative services	1,440,721			(1,440,721)		(1,440,721)
Central services	557,117			(557,117)		(557,117)
Plant operations and maintenance	3,495,626			(3,495,626)		(3,495,626)
Pupil transportation	997,102			(997,102)		(997,102)
Employee benefits	11,765,114		4,274,046	(7,491,068)		(7,491,068)
Interest on long-term debt	460,596		220,890	(239,706)		(239,706)
Unallocated depreciation and amortization	34,744			(34,744)		(34,744)
Total governmental activities	<u>42,020,869</u>		<u>5,687,283</u>	<u>(36,333,586)</u>		<u>(36,333,586)</u>
Business-type activities:						
School Store	8,526	7,601			(925)	(925)
School Age Child Care	281,732	347,694			65,962	65,962
Food Service Program	1,081,050	403,028	646,455		(31,567)	(31,567)
Total business-type activities	<u>1,371,308</u>	<u>758,323</u>	<u>646,455</u>		<u>33,470</u>	<u>33,470</u>
Total primary government	<u>\$ 43,392,177</u>	<u>\$ 758,323</u>	<u>\$ 6,333,738</u>	<u>\$ (36,333,586)</u>	<u>\$ 33,470</u>	<u>\$ (36,300,116)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes, net				24,186,667		24,186,667
Taxes levied for debt service				1,781,904		1,781,904
Federal and State aid not restricted				8,989,948		8,989,948
Tuition revenue				186,537		186,537
Miscellaneous Income				226,681	5,993	232,674
Transfers						
Total general revenues, special items, extraordinary items and transfers				<u>35,371,737</u>	<u>5,993</u>	<u>35,377,730</u>
Change in Net Position				(961,849)	39,463	(922,386)
Net Position--beginning				4,273,635	584,075	4,857,710
Net Position--ending				<u>\$ 3,311,786</u>	<u>\$ 623,538</u>	<u>\$ 3,935,324</u>

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

Fund Financial Statements

**MAPLE SHADE SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**

<b>ASSETS</b>	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 2,109,920	\$ -	\$ -	\$ -	\$ 2,109,920
Receivables, net	318,410	533,040			851,450
Interfund receivable	532,108	8,507			540,615
Restricted cash and cash equivalents	685,131				685,131
<b>Total assets</b>	<b>\$ 3,645,569</b>	<b>\$ 541,547</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,187,116</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	7,287	110,159			117,446
Intergovernmental payable:					
State		35,143			35,143
Interfund payables	9,571	396,245			405,816
Other liabilities	4,882				4,882
<b>Total liabilities</b>	<b>21,740</b>	<b>541,547</b>	<b>-</b>	<b>-</b>	<b>563,287</b>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Reserve for excess surplus	1,246,215				1,246,215
Reserve for excess surplus designated for subsequent years expenditures	1,113,599				1,113,599
Capital reserve	685,131				685,131
Maintenance reserve	439,643				439,643
<b>Assigned to:</b>					
Year-end encumbrances	32,000				32,000
Designated for subsequent years expenditures	186,401				186,401
Unassigned	(79,160)				(79,160)
<b>Total fund balances</b>	<b>3,623,829</b>				<b>3,623,829</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,645,569</b>	<b>\$ 541,547</b>	<b>\$ -</b>	<b>\$ -</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$45,697,751 and the accumulated depreciation is \$18,425,215.	27,272,536
Accrued interest on debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(118,394)
Accounts payable related to the April 1, 2018 required PERS contribution that is not to be liquidated with current financial resources.	(473,824)
The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:	
Deferred Outflows of resources from Pensions	4,577,190
Net Pension Liability	(15,086,977)
Deferred Inflows of resources from Pensions	(28,701)
	(10,538,488)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Compensated Absences	(1,705,893)
Capital Leases	(188,085)
General Obligation Bonds	(14,559,895)
	(16,453,873)
<b>Net position of governmental activities</b>	<b>\$ 3,311,786</b>

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

**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**for the Fiscal Year Ended June 30, 2017**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 24,186,667	\$ -	\$ -	\$ 1,781,904	\$ 25,968,571
Tuition charges	186,537				186,537
Transportation fees	93,107				93,107
Miscellaneous	133,574				133,574
Total revenues-local sources	24,599,885			1,781,904	26,381,789
State sources	13,030,081	98,679	-	220,890	13,349,650
Federal sources	123,754	1,203,827			1,327,581
Total revenues	37,753,720	1,302,506	-	2,002,794	41,059,020
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	9,667,979	474,646			10,142,625
Special education instruction	4,818,302	596,189			5,414,491
Other instruction	852,476				852,476
Support services and undistributed costs:					
Tuition	1,312,550				1,312,550
Student & instruction related services	3,915,072	121,512			4,036,584
General administrative services	474,652				474,652
School administrative services	1,440,721				1,440,721
Central services	557,117				557,117
Plant operations and maintenance	2,875,729				2,875,729
Pupil transportation	997,102				997,102
Unallocated employee benefits	10,194,439	110,159			10,304,598
Capital outlay	647,096				647,096
Debt service:					
Principal				1,505,000	1,505,000
Interest and other charges				497,794	497,794
Total expenditures	37,753,235	1,302,506		2,002,794	41,058,535
Excess (deficiency) of revenues over (under) expenditures	485				485
Other Financing Sources (Uses):					
Transfers in					-
Transfers out					-
Proceeds of Capital Lease					-
Total other financing sources (uses)	-		-		-
Net change in fund balance	485				485
Fund balances, July 1	3,623,344				3,623,344
Fund balances, June 30	<u>\$ 3,623,829</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,623,829</u>

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

**MAPLE SHADE 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, 2017**

Total net change in fund balances - governmental funds (from B-2)	\$	485
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p style="margin-left: 40px;">Capital outlays are reported in the governmental funds as expenditures. However, on 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 current fiscal year.</p>		
Depreciation expense	\$ (954,147)	
Capital outlay	<u>104,157</u>	(849,990)
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 reported in the statement of activities.		1,542,198
The issuance of bonds increases long-term liabilities, however has no effect on fund balance.		
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		66,164
The issuance of a capital lease increases long-term liabilities, however has no effect on fund balance.		
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition to the reconciliation.		12,963
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		(1,460,516)
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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>(273,153)</u>
Change in net position of governmental activities	<u>\$</u>	<u>(961,849)</u>

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

**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2017**

	<b>Business-type Activities</b>			<b>Total</b>
	<b>School Store</b>	<b>School Age Child Care</b>	<b>Food Service Program</b>	
<b>ASSETS:</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 845	\$ 269,500	\$ 376,089	\$ 646,434
Accounts Receivable		23,020	35,136	58,156
Interfund Receivables		1,064	983	2,047
Inventories	7,522		17,172	24,694
Total Current Assets	<u>8,367</u>	<u>293,584</u>	<u>429,380</u>	<u>731,331</u>
Noncurrent Assets:				
Equipment			430,499	430,499
Less Accumulated Depreciation			(367,348)	(367,348)
Total Noncurrent Assets			<u>63,151</u>	<u>63,151</u>
Total Assets	<u>\$ 8,367</u>	<u>\$ 293,584</u>	<u>\$ 492,531</u>	<u>\$ 794,482</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts Payable	\$ 77	\$ 1,602	\$ -	\$ 1,679
Compensated Absences Payable		7,260	16,058	23,318
Unearned Revenue		3,958	8,848	12,806
Other liabilities				
Interfund Payable		6,461	126,680	133,141
Total Liabilities	<u>77</u>	<u>19,281</u>	<u>151,586</u>	<u>170,944</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets			63,151	63,151
Unrestricted	8,290	274,303	277,794	560,387
Total Net Position	<u>\$ 8,290</u>	<u>\$ 274,303</u>	<u>\$ 340,945</u>	<u>\$ 623,538</u>

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



**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2017**

	<b>Business-type Activities</b>			<b>Total</b>
	<b>Enterprise Funds</b>			
	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service Program</u>	
<b>Operating revenues:</b>				
Charges for services:				
Daily sales-reimbursable programs	\$ -	\$ -	\$ 245,048	\$ 245,048
Daily sales-non-reimbursable programs			133,571	133,571
Special functions			24,409	24,409
Program fees		347,694		347,694
Book store sales	7,601			7,601
Total operating revenue	<u>7,601</u>	<u>347,694</u>	<u>403,028</u>	<u>758,323</u>
<b>Operating expenses:</b>				
Salaries		208,590	451,555	660,145
Employee benefits		19,672	125,517	145,189
Supplies and materials		8,357	25,786	34,143
Depreciation			12,143	12,143
Management fee				
Repairs and maintenance of equipment			50,009	50,009
Cost of sales-Reimbursable	8,526	12,296	243,419	264,241
Cost of sales-Nonreimbursable			162,278	162,278
Purchased property services				
Other costs		32,817	10,343	43,160
Total operating expenses	<u>8,526</u>	<u>281,732</u>	<u>1,081,050</u>	<u>1,371,308</u>
Operating income (loss)	<u>(925)</u>	<u>65,962</u>	<u>(678,022)</u>	<u>(612,985)</u>
<b>Nonoperating revenues (expenses):</b>				
State sources:				
State school lunch program			9,534	9,534
Federal sources:				
National school lunch program			411,429	411,429
National school breakfast program			142,216	142,216
U.S.D.A. commodities			83,276	83,276
Local sources:				
Interest revenue	1	249	303	553
Miscellaneous		2,593	2,847	5,440
Total nonoperating revenues	<u>1</u>	<u>2,842</u>	<u>649,605</u>	<u>652,448</u>
Net income (loss) before contributions and transfers	<u>(924)</u>	<u>68,804</u>	<u>(28,417)</u>	<u>39,463</u>
Operating Transfer Out				
Change in net position	<u>(924)</u>	<u>68,804</u>	<u>(28,417)</u>	<u>39,463</u>
Total net position - beginning	<u>9,214</u>	<u>205,499</u>	<u>369,362</u>	<u>584,075</u>
Total net position - ending	<u>\$ 8,290</u>	<u>\$ 274,303</u>	<u>\$ 340,945</u>	<u>\$ 623,538</u>

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

**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2017**

	<b>Business-type Activities</b>			<b>Total</b>
	<b>Enterprise Funds</b>			
	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service Program</u>	
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 7,831	\$ 341,322	\$ 434,632	\$ 783,785
Payments to employees		(222,324)	(422,965)	(645,289)
Payments to suppliers	(8,372)	(51,027)	(438,392)	(497,791)
Net cash used for operating activities	<u>(541)</u>	<u>67,971</u>	<u>(426,725)</u>	<u>(359,295)</u>
<b>Cash flows from noncapital financing activities:</b>				
Miscellaneous		2,593	2,847	5,440
State and Federal sources			563,951	563,951
Net cash provided by non-capital financing activities		<u>2,593</u>	<u>566,798</u>	<u>569,391</u>
<b>Cash flows from capital activities:</b>				
Purchases of fixed assets				
<b>Cash flows from investing activities:</b>				
Interest and dividends	1	249	303	553
Net cash provided by investing activities	<u>1</u>	<u>249</u>	<u>303</u>	<u>553</u>
Net increase in cash and cash equivalents	(540)	70,813	140,376	210,649
Balances - beginning of year	1,385	198,687	235,713	435,785
Balances - end of year	<u>\$ 845</u>	<u>\$ 269,500</u>	<u>\$ 376,089</u>	<u>\$ 646,434</u>
<b>Reconciliation of operating loss to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ (925)	\$ 65,962	\$ (678,022)	\$ (612,985)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation			12,143	12,143
Federal commodities			83,276	83,276
(Increase) decrease in accounts receivable		(2,504)	(4,935)	(7,439)
(Increase) decrease in interfund receivable			37,825	37,825
(Increase) decrease in inventories	387		10,703	11,090
Increase (decrease) in unearned revenue		(3,867)	1,192	(2,675)
Increase (decrease) in interfund payable, net		6,318	113,976	120,294
Increase (decrease) in compensated absences payable		460	(2,883)	(2,423)
Increase (decrease) in accounts payable	(3)	1,602		1,599
Total adjustments	<u>384</u>	<u>2,009</u>	<u>251,297</u>	<u>253,690</u>
Net cash provided by (used for) operating activities	<u>\$ (541)</u>	<u>\$ 67,971</u>	<u>\$ (426,725)</u>	<u>\$ (359,295)</u>

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

**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2017**

	<u>Private Purpose Trust Fund</u>	<u>Unemployment Compensation Insurance Trust Fund</u>	<u>Agency Fund</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 18,603	\$ 236,575	\$ 152,342
	<hr/>	<hr/>	<hr/>
Total assets	<u>18,603</u>	<u>236,575</u>	<u>152,342</u>
<b>LIABILITIES:</b>			
Accounts payable	\$ -	\$ 4,266	\$ -
Payroll deductions and withholdings			2,095
Interfund payable			3,705
Due to student groups			146,542
	<hr/>	<hr/>	<hr/>
Total liabilities		<u>4,266</u>	<u>\$ 152,342</u>
<b>NET POSITION:</b>			
Held in trust for unemployment claims and other purposes	<u>\$ 18,603</u>	<u>\$ 232,309</u>	

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

**MAPLE SHADE SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2017**

	Private Purpose Trust Fund Scholarship Fund	Unemployment Compensation Insurance Trust Fund
<b>ADDITIONS:</b>		
Contributions:		
Contributions	\$ 19,773	\$ 34,618
Miscellaneous		
Total Contributions	19,773	34,618
Investment earnings:		
Interest	60	222
Net investment earnings	60	222
Total additions	19,833	34,840
<b>DEDUCTIONS:</b>		
Unemployment claims		35,118
Scholarships awarded	22,900	
Total deductions	22,900	35,118
Change in net position	(3,067)	(278)
Net position - beginning of the year	21,670	232,587
Net position - end of the year	\$ 18,603	\$ 232,309

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

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Township of Maple Shade School District (“School District”) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. The School District has an approximate enrollment at June 30, 2017 of 2,163 students.

The primary criteria for including activities within the School District’s reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *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 combined financial statements include all funds of the School district over which the Board exercises operating control.

**Component Units** – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation**

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

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

**Government-wide Statements** - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Government-wide Statements (Continued)** -The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements** - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

**General Fund** - The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment 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, district taxes 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 revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**Capital Projects Fund** - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure 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 or 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.

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

**Proprietary Funds** - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary Funds (Continued)**

**Enterprise Funds** – The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District’s enterprise funds are:

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

**School Age Child Care Fund** - This fund accounts for the financial activity related to providing day care services for School District students before and after school and during the summer.

**School Store** - This fund accounts for all the revenues and expenses of the school store.

All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: trust funds and 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). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds; an unemployment compensation trust fund, a private purpose scholarship, a student activity fund, and a payroll fund.

**Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

**Fund Financial Statements** – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental fund

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Measurement Focus (Continued)**

**Fund Financial Statements (Continued)** - Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end; tuition, grants, fees, and rentals.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.



**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Budgets/Budgetary Control** - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. 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. 6:23A-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 fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America 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. 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 year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

**Encumbrances** - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. 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 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, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year end.

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

**Cash, 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.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash, Cash Equivalents and Investments (Continued)** - N.J.S.A. 17:9-41et 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 institution 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 full amount of their deposits to the governmental units.

**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.

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 2017 and 2016 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed, and is not recorded since any amounts are considered immaterial to the basic financial statements.

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

**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, 2017.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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

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

**Short-Term Interfund Receivables / Payables** - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**Capital Assets** - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of and the proprietary fund statement of net position.

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Assets (Continued)** - All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

	<b>Governmental</b>	<b>Business-Type</b>
	<b>Activities</b>	<b>Activities</b>
<b>Description</b>	<b>Estimated Lives</b>	<b>Estimated Lives</b>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

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

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

**Accrued Liabilities and Long-Term Obligations** - All payables, accrued liabilities, and long-term obligations are reported on 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 fund financial statements when due.

**Bond Discount and Bond Premium** - Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 law 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.

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**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" criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2017.

**Restricted** - This 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 (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** - This 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. 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 imposing the commitment.

**Assigned** - This 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.

**Unassigned** - This fund balance classification is the residual classification for the General Fund. It 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 an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District's policy to spend restricted fund balances first. Likewise, when an expenditure is 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.

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Operating and Non-Operating Revenues and Expenses** - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program, program fees for the community education and recreation fund, and fees for the shared services fund. Non-operating revenues principally consist of interest income earned on various interest bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

**Interfunds** – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United State 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.

**Recently Issued Accounting Pronouncements** - In June 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement is effective for financial statements for periods beginning after June 30, 2017. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In March 2016, the GASB issued Statement 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement amends Statements 67 and 68 to instead require the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. Furthermore, this Statement clarifies that a deviation, as the term is used in Actuarial Standards of Practice issued by the Actuarial Standards Board, from the guidance in an Actuarial Standard of Practice is not considered to be in conformity with the requirements of Statement 67, Statement 68, or Statement 73 for the selection of assumptions used in determining the total pension liability and related measures. Also, this Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits). The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Recently Issued Accounting Pronouncements (Continued)** In November 2016, the GASB issued Statement 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In January 2017, the GASB issued Statement 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 requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In March 2017, the GASB issued Statement 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In May 2017, the GASB issued Statement 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In June 2017, the GASB issued Statement 87, *Leases*. 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. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to 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. 17:9-41et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 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 trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$4,226,343 as of June 30, 2017, \$250,000 was insured under FDIC and the remaining balance of \$3,976,342 was collateralized under GUDPA.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**3. CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, 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 either by 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. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Balance – July 1, 2016		\$ 775,004	
Increased by:			
Interest earned	\$ 402		
Return of unspent withdraw	9,724		
Transfer from Capital Projects Fund	<u>400,000</u>	<u>410,126</u>	
Decreased by:			
Budget withdrawal		<u>500,000</u>	
Balance – June 30, 2017		<u>\$ 685,131</u>	

The June 30, 2017 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were utilized to fund facilities projects approved by the New Jersey Department of Education, consistent with the School District's LRFP.

**4. ACCOUNTS RECEIVABLES**

Accounts receivables at June 30, 2017 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2017 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Federal	\$ -	\$ 533,040	\$ -	\$ 25,819	\$ 558,859
State	274,326			392	274,718
Other	<u>44,084</u>			<u>31,945</u>	<u>76,029</u>
Total Accounts Receivable	<u>\$ 318,410</u>	<u>\$ 533,040</u>	<u>\$ -</u>	<u>\$ 58,156</u>	<u>\$ 909,606</u>

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**5. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2017</u>
<b><u>Governmental Activities:</u></b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 412,248	\$ -	\$ -	\$ 412,248
Construction in progress	_____	_____	_____	_____
Total capital assets, not being Depreciated	<u>412,248</u>	_____	_____	<u>412,248</u>
<i>Capital Assets, being depreciated:</i>				
Site Improvements	626,916	32,000		658,916
Building and Building Improvements	41,827,923	2,079		41,830,002
Equipment	2,726,507	70,078		2,796,585
Totals at historical cost	<u>45,181,346</u>	<u>104,157</u>	_____	<u>45,285,503</u>
<i>Less Accumulated Depreciation:</i>				
Site Improvements	(609,732)	(3,249)		(612,981)
Building and Building Improvements	(14,533,211)	(825,817)		(15,359,028)
Equipment	(2,328,125)	(125,081)		(2,453,206)
Totals accumulated depreciation	<u>(17,471,068)</u>	<u>(954,147)</u>	_____	<u>(18,425,215)</u>
Total Capital Assets, being depreciated, net	<u>27,710,278</u>	<u>(849,990)</u>	_____	<u>26,860,288</u>
Governmental Activities Capital Assets, Net	<u>\$ 28,122,526</u>	<u>\$ (849,990)</u>	<u>\$ -</u>	<u>\$ 27,272,536</u>
<b><u>Business-Type Activities:</u></b>				
<i>Capital Assets, being depreciated:</i>				
Equipment	\$ 430,499	\$ -	\$ -	\$ 430,499
Less accumulated depreciation	<u>(355,205)</u>	<u>(12,143)</u>	_____	<u>(367,348)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 75,294</u>	<u>\$ (12,143)</u>	<u>\$ -</u>	<u>\$ 63,151</u>

Depreciation expense in the amount of \$849,990 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 594,993
Administration	84,999
Plant Operations and Maintenance	127,498
Unallocated	<u>42,500</u>
Total depreciation expense	<u>\$ 849,990</u>



**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**6. INVENTORY**

Inventory in the food service fund at June 30, 2017 consisted of the following:

	Food Service	School Store
Food Supplies	\$ 14,472	\$ 7,522
	2,700	
	\$ 17,172	\$ 7,522

**7. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2017, the following changes occurred in long-term obligations:

	<u>Principal Outstanding July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2017</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental Activities:</u></b>					
Other Liabilities:					
Compensated Absences	\$ 1,432,740	\$ 273,153	\$ -	\$ 1,705,893	\$ -
Capital Leases	254,249		66,164	188,085	67,592
Net Pension Liability	11,286,822	3,800,155		15,086,977	
Total	12,973,811	4,073,308	66,164	16,980,955	
General Obligation Bonds					
Principal	15,975,000		1,505,000	14,470,000	1,540,000
Unamortized Premiums	127,093		37,198	89,895	37,198
Total	16,102,093		1,542,198	14,559,895	
Total Governmental Activity	\$ 29,075,904	\$ 4,073,308	\$ 1,608,362	\$ 31,540,850	\$
<b><u>Business-Type Activities:</u></b>					
Compensated Absences	\$ 25,741	\$	\$ 2,423	\$ 23,318	-

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

2012 Refunding Bonds dated April 1, 2012 in the amount of \$12,580,000 due in annual installments through April 1, 2030, bearing interest rate of 2.75% to 3.50%.

2013 Refunding Bonds dated December 1, 2013 in the amount of \$1,890,000 due in annual installments through March 30, 2020, bearing interest rate of 3.00%.

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**7. LONG-TERM OBLIGATIONS (Continued)**

As of June 30, 2017, principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,540,000	\$ 452,644	\$ 1,992,644
2019	1,525,000	406,444	1,931,444
2020	1,595,000	360,693	1,955,693
2021	975,000	306,744	1,281,744
2022	965,000	277,494	1,242,494
2023-2027	4,920,000	961,344	5,881,344
2028-2030	2,950,000	200,675	3,150,675
	<u>\$ 14,470,000</u>	<u>\$ 2,966,038</u>	<u>\$ 17,436,038</u>

As of June 30, 2017 the School District had no authorizations to issue additional bonded debt.

**Capital Leases**

The District is leasing four school buses totaling \$349,557 under capital leases. The following is a schedule of the future minimum lease payments under these capital lease agreements:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 67,592	\$ 3,584	\$ 71,176
2019	68,903	2,273	71,176
2020	51,590	935	52,525
	<u>\$ 188,085</u>	<u>\$ 6,792</u>	<u>\$ 194,877</u>

**8. OPERATING LEASES**

At June 30, 2017, the School District had operating lease agreements in effect for a postage machine, software, and copy machines. Total rental payments for such leases were \$68,184 for the fiscal year ended June 30, 2017. The future minimum lease payments for these leases are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2017	\$ 113,769
June 30, 2018	112,532
June 30, 2019	72,192
Total future minimum lease payments	<u>\$ 298,493</u>

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS**

**Description of Plans** – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). IN addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), 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 and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits. P.O. Box 295, Trenton, New Jersey, 08625-0295.

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

*Plan Description* - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on 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, death and disability, and medical benefits to 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.

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

*Contributions* - The contribution requirements of plan members are determined 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, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS (CONTINUED)**

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

For fiscal year 2016, 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 the 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 was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2017 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, 2016, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2017 was \$1,181,606 and was paid by April 1, 2016. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$1,144,039.

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

At June 30, 2017, 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.

For the year ended June 30, 2017, the School District recognized pension expense of \$8,769,598 and revenue of \$8,769,598 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/16</u>	<u>06/30/15</u>
Collective deferred outflows of resources	\$ 17,414,701,002	\$ 7,521,378,257
Collective deferred inflows of resources	134,532,594	554,399,005
Collective net pension liability (Non-Employer – State of New Jersey)	79,028,907,033	63,577,864,440
State's portion of the net pension liability that was associated with the School District	116,716,190	91,059,661
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.1483686031%	.1440720067%

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS (CONTINUED)**

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

*Actuarial assumptions* – The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation: 2.5%  
Salary Increases: Varies based on experience  
Investment Rate of Return: 7.65%

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	05.00%	0.39%
Government Bonds	01.50%	1.28%
Credit Bonds	13.00%	2.76%
Mortgages	02.00%	2.38%
Inflation-Indexed Bonds	01.50%	1.41%
High Yield Bonds	02.00%	4.70%
Equity Market	26.00%	5.14%
Foreign-Developed Equity	13.25%	5.91%
Emerging Markets Equity	06.50%	8.16%
Private Real Estate Property	05.25%	3.64%
Timber	01.00%	3.86%
Farmland	01.00%	4.39%
Private Equity	09.00%	8.97%
Commodities	00.50%	2.87%
Hedge Funds – MultiStrategy	05.00%	3.70%
Hedge Funds – Equity Hedge	03.75%	4.72%
Hedge Funds - Distressed	03.75%	3.49%
	100.00%	

*Discount rate.* The discount rate used to measure the State's total pension liability was 3.22% as of June 30, 2016. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, 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.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS (CONTINUED)**

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

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be made based on the contribution rate in the most recent fiscal year. The state contributed 30% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2029. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2016, the pension plans measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 4.13%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.13%) or 1 percentage point higher (5.13%) that the current rate:

	<b>1% Decrease ▼ (3.13%)</b>	<b>Current Discount Rate ▼ (4.13%)</b>	<b>1% Increase ▼ (5.13%)</b>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	<u>139,385,214</u>	<u>116,716,190</u>	<u>98,204,006</u>
	<u>\$ 139,385,214</u>	<u>\$ 116,716,190</u>	<u>\$ 98,204,006</u>

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

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

*Plan Description* - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS designated purpose is to provide retirement, death and 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 pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

*Vesting and Benefit Provisions* - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS (CONTINUED)**

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

The following represents the membership tiers for PERS:

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

*Contributions* - The contribution requirements of plan members are determined 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, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012. The member contribution rate was 7.20% in State fiscal year 2017. 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 336, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2017 was 13.65% 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, 2016, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2017 was \$452,544 and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$250,887.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contributions	Adjustment	Accrued Liability	Non Contributory Life	Total Liability Paid by District
2017	\$ 70,787	\$ -	\$ 360,245	\$ 21,512	\$ 452,544
2016	73,182	-	337,122	21,968	432,272
2015	69,320	-	320,657	26,413	416,390

**Maple Shade School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS (CONTINUED)**

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

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

At June 30, 2017, the School District reported a liability of \$15,086,977 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The School District's proportion of the 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 year ended June 30, 2017, the School District recognized pension expense of \$1,460,489. At June 30, 2017, the School District reported a liability of \$15,086,977 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 280,572	\$ -
Changes of assumptions	3,125,216	
Net Difference between projected and actual earnings on pension plan investments	575,280	
Changes in proportion	122,298	28,701
District contributions subsequent to the measurement date	473,824	
<b>Total</b>	<b>\$ 4,577,190</b>	<b>\$ 28,701</b>

\$473,824 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2017, the plan measurement date is June 30, 2016) will be recognized as a reduction of the net liability in the year ended June 30, 2017.

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

For the year ended:	Net Deferred Outflows of Resources
2017	\$ 876,119
2018	876,119
2019	1,017,011
2020	859,326
2022	446,090
<b>Total</b>	<b>\$ 4,074,665</b>



**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS (CONTINUED)**

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
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
Changes in proportion		
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

**Additional Information**

Collective balances at June 30, 2016 and 2015 are as follows:

	<u>6/30/2016</u>	<u>6/30/2015</u>
Collective deferred outflows of resources	\$ 8,685,338,380	\$ 3,578,755,666
Collective deferred inflows of resources	\$ 870,133,595	\$ 993,410,455
Collective net pension liability	\$ 29,617,131,759	\$ 22,447,996,119
District's Proportion	.0509400355%	.0502798661%

*Actuarial assumptions* – The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

- Inflation rate: 3.08%
- Salary Increases:
  - Through 2025: 1.65-4.15% based on age
  - Thereafter: 2.65-5.15% based on age
- Investment Rate of Return: 7.65%

**Maple Shade School District  
Notes to Basic Financial Statements  
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**9. PENSION PLANS (CONTINUED)**

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

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

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	05.00%	00.87%
U.S. Treasuries	01.50%	01.74%
Investment Grade Credit	08.00%	01.79%
Mortgages	02.00%	01.67%
High Yield Bonds	02.00%	04.56%
Inflation Indexed Bonds	01.50%	03.44%
Broad US Equities	26.00%	08.53%
Developed Foreign Equities	13.25%	06.83%
Emerging Market Equities	06.50%	09.95%
Private Equity	09.00%	12.40%
Hedge Funds/Absolute Ret	12.50%	04.68%
Real Estate (Property)	02.00%	06.91%
Commodities	00.50%	05.45%
Global Debt ex US	05.00%	-0.25%
REIT	05.25%	05.63%
	<u>100.00%</u>	

*Discount rate.* The discount rate used to measure the State's total pension liability was 3.98% as of June 30, 2016. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, 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.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**9. PENSION PLANS (CONTINUED)**

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

*Discount rate (Continued)* - The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2016, calculated using the discount rate of 3.98%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.98%) or 1 percentage point higher (4.98%) than the current rate:

	<b>1% Decrease ▼ (2.98%)</b>	<b>Current Discount Rate ▼ (3.98%)</b>	<b>1% Increase ▼ (4.98%)</b>
District's proportionate share of the net pension liability	\$ 18,487,329	\$ 15,086,977	\$ 12,279,691

*Pension Plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Defined Contribution Retirement Program (DCRP)**

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was 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), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. 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's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2017	\$ 24,611	\$ 24,611
2016	25,219	25,219
2015	21,822	21,822

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**10. STATE POST-RETIREMENT MEDICAL BENEFITS**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving post-retirement medical benefits, and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$231.1 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SEHBP. That report may be obtained from the Treasury website at:

<http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2017, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long term disability insurance were \$1,658,534, \$1,381,937, and \$4,007, respectively. In addition, \$1,119,409 on-behalf payments were made by the state for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**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; employee health and accident claims; and natural disasters.

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

**Joint Insurance Pool** - The School District is a member of the School Alliance Insurance Fund and the New Jersey School Boards Association Insurance Group (NJSBAIG) for workers compensation. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report.

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

The Fund publishes its own financial report which can be obtained at: School Alliance Insurance Fund, c/o PEGAS, 51 Everett Drive, Lawrenceville, New Jersey, 08648 and [www.njsbaig.com](http://www.njsbaig.com).

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**12. RISK MANAGEMENT**

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

The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016-2017	\$	\$ 34,619	\$ 221	\$ 35,118	\$ 232,309
2015-2016		37,086	204	11,652	232,587
2014-2015		25,000	199	34,860	206,949

**13. DEFERRED COMPENSATION**

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

**14. COMPENSATED ABSENCES**

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2017, the liability for compensated absences in the governmental activities and proprietary fund types was \$1,705,893 and \$23,318, respectively.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**15. INTERFUND BALANCES AND TRANSFERS**

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2017. The following interfund balances were recorded on the various balance sheets as of June 30, 2017:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 532,108	\$ 9,571
Special Revenue	8,507	396,245
Proprietary	2,047	133,141
Fiduciary	_____	3,705
	<u>\$ 542,662</u>	<u>\$ 542,662</u>

**16. CONTINGENCIES**

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2017, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District.

**17. TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

The Township of Maple Shade (Municipality) provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Municipality are for affordable housing and other permitted purposes. Taxes abated include municipal, local school, and county taxes.

The municipality recognized revenue of \$328,615 from the annual service charge in lieu of payment of taxes in 2016. The assessed value on these tax exemption properties amounted to \$24,327,400 which would have resulted in 2016 taxes billed in full of \$808,156. A portion of the \$479,541 abatement would have been allocated to the District.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**18. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$79,160 in the General Fund as of June 30, 2017 as reported in the fund statements (modified accrual basis). 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 revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$79,160 is equal to or less than the June state aid payment.

**19. DEFICIT UNRESTRICTED NET POSITIONS**

As of June 30, 2017, a deficit of \$12,915,759 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2017	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ (79,160)
Liabilities:	
Accrued Interest Payable	(118,394)
Net Pension Differences	(11,012,312)
Compensated Absences	<u>(1,705,893)</u>
Unrestricted Net Position (Deficit)	<u>\$ (12,915,759)</u>

**20. FUND BALANCES**

*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: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District’s fund balance are summarized as follows:

**General Fund:**

**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, 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, 2017 is \$1,246,215 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$1,113,599 of excess fund balance generated during the 2015-2016 fiscal year has been restricted and designated for utilization in the 2017-2018 budget.

**Maple Shade School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**20. FUND BALANCES (CONTINUED)**

**General Fund:**

*RESTRICTED*

**Capital Reserve** – As of June 30, 2017, the balance in the capital reserve account is \$685,131. These funds are restricted for future capital outlay expenditures for capital projects in the School District’s approved Long Range Facilities Plan.

**Maintenance Reserve Account** – As of June 30, 2017, the balance in the maintenance reserve account is \$439,643. 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).

*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:**

**Designated for Subsequent Year’s Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2017, \$186,401 of general fund balance.

**Other Purposes** – At June 30, 2017 the School District has \$32,000 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, 2017, the unassigned fund balance of the general fund was a deficit of \$79,160. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).



Required Supplementary Information - Part II

Budgetary Comparison Schedules

**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 24,186,667	\$ -	\$ 24,186,667	\$ 24,186,667	\$ -
Tuition	150,000		150,000	186,537	36,537
Tranportation fees from other LEAs	50,000		50,000	93,107	43,107
Capital reserve interest	400		400	402	2
Advertising Fees - School Buses	1,600		1,600	388	(1,212)
Unrestricted miscellaneous revenue	100,000		100,000	132,784	32,784
<b>Total local sources</b>	<b>24,488,667</b>		<b>24,488,667</b>	<b>24,599,885</b>	<b>111,218</b>
State sources:					
Extraordinary Aid	188,235		188,235	205,150	16,915
Nonpublic Transportation Aid				12,354	12,354
Categorical Special Education Aid	1,222,775		1,222,775	1,222,775	
Equalization Aid	7,123,933		7,123,933	7,123,933	
Security Aid	124,422		124,422	124,422	
Transportation Aid	85,205		85,205	85,205	
Education Adequacy Aid	27,454		27,454	27,454	
PARCC Readiness Aid	22,080		22,080	22,080	
Per Pupil Growth Aid	22,080		22,080	22,080	
Professional Learning Community Aid	22,330		22,330	22,330	
On-behalf TPAF pension contributions (non-budgeted)				1,658,534	1,658,534
On-behalf TPAF Post Retirement Medical (non-budgeted)				1,381,937	1,381,937
On-behalf TPAF - LTDI (non-budgeted)				4,007	4,007
Reimbursed TPAF social security contributions (non-budgeted)				1,119,409	1,119,409
<b>Total state sources</b>	<b>8,838,514</b>		<b>8,838,514</b>	<b>13,031,670</b>	<b>4,193,156</b>
Federal sources:					
Medicaid Reimbursement	64,649		45,043	123,754	78,711
	64,649		45,043	123,754	78,711
<b>TOTAL REVENUES</b>	<b>33,391,830</b>		<b>33,372,224</b>	<b>37,755,309</b>	<b>4,383,085</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	593,030	28,000	621,030	618,570	2,460
Grades 1-5	3,518,883	113,000	3,631,883	3,612,765	19,118
Grades 6-8	1,823,117	192,000	2,015,117	2,006,973	8,144
Grades 9-12	2,464,753	(100,000)	2,364,753	2,259,670	105,083
<b>Total Instruction</b>	<b>8,399,783</b>	<b>233,000</b>	<b>8,632,783</b>	<b>8,497,978</b>	<b>134,805</b>
Regular Programs - Home Instruction:					
Salaries of teachers	34,000		34,000	8,138	25,862
Purchased professional - educ services	10,200	132	10,332	10,332	
<b>Total Home Instruction</b>	<b>44,200</b>	<b>132</b>	<b>44,332</b>	<b>18,470</b>	<b>25,862</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	\$ 98,938	\$ 1	\$ 98,939	\$ 96,438	\$ 2,501
Purchased professional - educ services	414,294	99,570	513,864	511,628	2,236
Other purchased services	99,689		99,689	89,532	10,157
General supplies	347,504	(19,870)	327,634	303,270	24,364
Textbooks	134,099	(3,151)	130,948	130,734	214
Other objects	22,386	(1)	22,385	19,929	2,456
Total Undistributed Instruction	<u>1,116,910</u>	<u>76,549</u>	<u>1,193,459</u>	<u>1,151,531</u>	<u>41,928</u>
Total - Regular Programs - Instruction	<u>9,560,893</u>	<u>309,681</u>	<u>9,870,574</u>	<u>9,667,979</u>	<u>202,595</u>
Special Educ Instruction: Learning/Lang.					
Salaries of teachers	964,439	(50,000)	914,439	894,232	20,207
Other salaries for instruction	591,953	18,667	610,620	599,079	11,541
General supplies	21,808	(9,773)	12,035	11,332	703
Textbooks	10,465	(3,840)	6,625	6,545	80
Total Learning/Language Disabilities	<u>1,588,665</u>	<u>(44,946)</u>	<u>1,543,719</u>	<u>1,511,188</u>	<u>32,531</u>
Special Educ Instruction: Behavioral Disabilities					
Salaries of teachers	352,195	109,782	461,977	461,108	869
Other salaries for instruction	143,124	23,333	166,457	122,081	44,376
Purchased Professional - ED. Service	7,471		7,471	534	6,937
General supplies	17,255	(281)	16,974	8,133	8,841
Textbooks	8,041	(3,085)	4,956	4,824	132
Total Behavioral Disabilities	<u>528,086</u>	<u>129,749</u>	<u>657,835</u>	<u>596,680</u>	<u>61,155</u>
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	469,610	(12,200)	457,410	457,378	32
Other salaries for instruction	201,705	7,500	209,205	205,188	4,017
Other purchased services	260		260		260
General supplies	22,400	(9,975)	12,425	12,331	94
Textbooks	7,355	(1,864)	5,491	3,643	1,848
Total Multiple Disabilities	<u>701,330</u>	<u>(16,539)</u>	<u>684,791</u>	<u>678,540</u>	<u>6,251</u>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	1,319,443	35,700	1,355,143	1,355,136	7
Other salaries for instruction	236,295	(40,501)	195,794	195,435	359
General supplies	8,683	2,443	11,126	9,712	1,414
Textbooks	6,538	(2,674)	3,864	3,864	
Total Resource Room/Resource Center	<u>1,570,959</u>	<u>(5,032)</u>	<u>1,565,927</u>	<u>1,564,147</u>	<u>1,780</u>
Special Educ Instruction: Autism					
Salaries of teachers	118,214	(60,000)	58,214	55,522	2,692
Other salaries for instruction	74,130	(25,000)	49,130	45,807	3,323
General supplies	1,330		1,330	1,330	
Other Objects	104		104		104
Total Autism	<u>193,778</u>	<u>(85,000)</u>	<u>108,778</u>	<u>102,659</u>	<u>6,119</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

Other Objects

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**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Educ Instruction: Preschool Disabilities - Part Time					
Salaries of teachers	\$ 206,359	\$ -	\$ 206,359	\$ 206,359	\$ -
Other Salaries for Instruction	146,689	(20,000)	126,689	124,935	1,754
Other Purchased Services (400-500 series)	100		100		100
General supplies	2,500		2,500	2,080	420
Other objects	90		90		90
Total Preschool Disabilities - Part Time	<u>355,738</u>	<u>(20,000)</u>	<u>335,738</u>	<u>333,374</u>	<u>2,364</u>
Special Educ Instruction: Home Instruction					
Salaries of teachers	48,000		48,000	9,123	38,877
Purchased Professional- Educational Services	24,000		24,000	22,591	1,409
Other objects					
Total Home Instruction	<u>72,000</u>		<u>72,000</u>	<u>31,714</u>	<u>40,286</u>
Total Special Education - Instruction	<u>5,010,556</u>	<u>(41,768)</u>	<u>4,968,788</u>	<u>4,818,302</u>	<u>150,486</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	367,552	(250,000)	117,552	78,784	38,768
Purchased Professional - Educational Services	500		500		500
General supplies	1,500		1,500	316	1,184
Total Basic Skills/Remedial - Instruction	<u>369,552</u>	<u>(250,000)</u>	<u>119,552</u>	<u>79,100</u>	<u>40,452</u>
Bilingual Education - Instruction					
Salaries of teachers	183,815		183,815	183,774	41
General supplies	5,000		5,000	3,907	1,093
Total Bilingual Education - Instruction	<u>188,815</u>		<u>188,815</u>	<u>187,681</u>	<u>1,134</u>
School-Sponsored Cocurricular Act - Inst.					
Salaries	96,030	9,400	105,430	102,861	2,569
Other objects	23,800	4,000	27,800	27,800	
Total School-Sponsored Cocurr. Act. - Inst	<u>119,830</u>	<u>13,400</u>	<u>133,230</u>	<u>130,661</u>	<u>2,569</u>
School-Sponsored Athletics - Inst.					
Salaries	350,667	(9,400)	341,267	333,549	7,718
Other purchased services	20,150	(11)	20,139	20,000	139
Supplies and Materials	55,250	(5,924)	49,326	49,325	1
Other objects	52,160		52,160	52,160	
Total School-Sponsored Athletics - Inst	<u>478,227</u>	<u>(15,335)</u>	<u>462,892</u>	<u>455,034</u>	<u>7,858</u>
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - regular	75,224	(25,492)	49,732	44,916	4,816
Tuition to other LEAs within the state - spec	37,473	13,436	50,909	50,909	
Tuition county voc. school dist. - regular	162,400		162,400	162,400	
Tuition county voc. school dist. - special	51,968		51,968	51,968	
Tuition to CSSD & reg. day schools	85,928	141,359	227,287	209,090	18,197
Tuition to priv. sch. for the disabled w/i state	874,213	(166,443)	707,770	675,577	32,193
Tuition - State Facilities	89,387		89,387	89,387	
Tuition - other		28,490	28,490	28,303	187
Total Undistributed Expenditures - Instruction	<u>1,376,593</u>	<u>(8,650)</u>	<u>1,367,943</u>	<u>1,312,550</u>	<u>55,393</u>
Undistributed Expenditures - Attendance & Social Work					
Salaries	31,301		31,301	31,301	
Total Undistributed Expenditures - Instruction	<u>31,301</u>		<u>31,301</u>	<u>31,301</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Health Services					
Salaries	\$ 332,282	\$ -	\$ 332,282	\$ 326,733	\$ 5,549
Purchased professional and tech. services	9,219		9,219	3,065	6,154
Other purchased services					
Supplies and Materials	6,166		6,166	5,151	1,015
Other Objects	4,364		4,364	4,364	
Total Undistributed Expenditures - Health Svcs.	<u>352,031</u>		<u>352,031</u>	<u>339,313</u>	<u>12,718</u>
Undist. Expend. - Speech, OT, PT & Rel. Serv.					
Salaries	431,804		431,804	410,443	21,361
Purchased professional - educ services	17,000		17,000	14,500	2,500
Other objects	4,980		4,980	4,267	713
Total Undst. Expend. - Speech, OT, PT & Rel. Serv.	<u>453,784</u>		<u>453,784</u>	<u>429,210</u>	<u>24,574</u>
Undist. Expend. - Guidance					
Salaries of other professional staff	607,684	1,900	609,584	609,519	65
Salaries of secretarial and clerical assistants	76,667	(1,900)	74,767	72,831	1,936
Supplies and materials	1,417	(1,400)	17		17
Total Undst. Expend. - Guidance	<u>685,768</u>	<u>(1,400)</u>	<u>684,368</u>	<u>682,350</u>	<u>2,018</u>
Undist. Expend. - Child Study Team					
Salaries of other professional staff	740,056	6,000	746,056	746,055	1
Salaries of secretarial and clerical assistants	67,585	186	67,771	67,771	
Purchased professional - educ services	1,019,135	29,640	1,048,775	1,047,889	886
Other purchased prof. and tech. services	49,087	(26,186)	22,901	17,354	5,547
Supplies and materials	15,568		15,568	15,386	182
Other objects	5,225		5,225	4,417	808
Total Undst. Expend. - Child Study Team	<u>1,896,656</u>	<u>9,640</u>	<u>1,906,296</u>	<u>1,898,872</u>	<u>7,424</u>
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	240,905	135	241,040	241,039	1
Other Salaries	41,000	(135)	40,865	39,250	1,615
Purchased Prof. Educational services	3,000	(1,000)	2,000	2,000	
Other purchased prof. and tech. services	19,540	19,500	39,040	26,456	12,584
Supplies and materials	20,808		20,808	18,660	2,148
Other objects					
Total Undst. Expend. - Improvement of Instr. Services	<u>325,253</u>	<u>18,500</u>	<u>343,753</u>	<u>327,405</u>	<u>16,348</u>
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	187,917		187,917	178,845	9,072
Purchased professional and tech. services	17,000		17,000	15,016	1,984
Supplies and materials	9,749	4,300	14,049	12,153	1,896
Total Undst. Expend. - Educ. Media Serv./Sch. Library	<u>214,666</u>	<u>4,300</u>	<u>218,966</u>	<u>206,014</u>	<u>12,952</u>
Undist. Expend. - Instructional Staff Training Services					
Purchased professional and tech services	2,000		2,000	499	1,501
Other Purchased Services	2,010		2,010	108	1,902
Total Undst. Expend. - Instructional Staff Training Services	<u>4,010</u>		<u>4,010</u>	<u>607</u>	<u>3,403</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	\$ 227,153	\$ 18,060	\$ 245,213	\$ 245,187	\$ 26
Legal services	60,000	(18,060)	41,940	17,040	24,900
Audit fees	26,200		26,200	26,200	
Architectural/Engineering Fees	15,000		15,000	6,042	8,958
Other purchased professional services	10,560		10,560	4,964	5,596
Communications / telephone	112,400	(2,881)	109,519	100,389	9,130
BOE Other Purchased Services	7,500	(3,500)	4,000	3,379	621
Other purchased services	49,390	3,500	52,890	44,611	8,279
General supplies	5,000		5,000	4,672	328
Misc. expenditures	6,250		6,250	6,054	196
BOE membership dues and fees	16,800		16,800	16,114	686
<b>Total Undst. Expend. - Supp. Serv. General Admin.</b>	<b>536,253</b>	<b>(2,881)</b>	<b>533,372</b>	<b>474,652</b>	<b>58,720</b>
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	945,129	(41,602)	903,527	903,527	
Salaries of other professional staff	235,515		235,515	233,574	1,941
Salaries of secretarial and clerical assistants	246,887	4,400	251,287	251,283	4
Purchased professional and technical services	6,000		6,000	3,180	2,820
Other purchased services	15,000		15,000	8,769	6,231
Supplies and materials	53,684	(7,680)	46,004	40,388	5,616
Other objects					
<b>Total Undst. Expend. - Supp. Serv. School Admin.</b>	<b>1,502,215</b>	<b>(44,882)</b>	<b>1,457,333</b>	<b>1,440,721</b>	<b>16,612</b>
Undist. Expend. - Central Services					
Salaries	310,180	14,252	324,432	324,408	24
Purchased Professional Services	16,500	(16,452)	48		48
Purchased Technical Services	25,595	560	26,155	26,153	2
Misc. purchased services	12,634	(1,300)	11,334	7,887	3,447
Supplies and Materials	4,375	4,700	9,075	8,938	137
Misc. expenditures	8,500	(1,760)	6,740	6,343	397
<b>Total Undst. Expend. - Central Services</b>	<b>377,784</b>		<b>377,784</b>	<b>373,729</b>	<b>4,055</b>
Undist. Expend. - Admin. Info. Tech.					
Salaries	52,000		52,000	52,000	
Purchased technical services	70,731		70,731	68,504	2,227
Other purchased services	1,020		1,020	185	835
Supplies and materials	65,000	262	65,262	62,699	2,563
<b>Total Undst. Expend. - Admin. Info. Tech.</b>	<b>188,751</b>	<b>262</b>	<b>189,013</b>	<b>183,388</b>	<b>5,625</b>
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	353,411	(18,955)	334,456	324,516	9,940
Cleaning, repair, and maintenance services	368,525	322,626	691,151	684,891	6,260
Travel		500	500		500
General supplies	38,000	3,045	41,045	41,045	
Other objects	11,500	(500)	11,000	10,993	7
<b>Total Undst. Expend. - Required Maint. Sch. Facilities</b>	<b>771,436</b>	<b>306,716</b>	<b>1,078,152</b>	<b>1,061,445</b>	<b>16,707</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Other Oper. & Maint. of Plant					
Salaries	\$ 908,205	\$ (9,650)	\$ 898,555	\$ 778,165	\$ 120,390
Salaries of Non - Instructional Aides	43,704	9,650	53,354	53,346	8
Purchased professional & tech. services	17,350		17,350	13,938	3,412
Cleaning, repair, and maintenance services	12,650	(2,100)	10,550	8,487	2,063
Insurance	104,500		104,500	104,500	
Misc. purchased services	2,300		2,300	2,296	4
General supplies	76,850	4,883	81,733	81,703	30
Energy (Natural Gas)	208,203		208,203	132,297	75,906
Energy (Electricity)	598,875		598,875	552,857	46,018
Total Undst. Expend. - Other oper. & Maint. of Plant	<u>1,972,637</u>	<u>2,783</u>	<u>1,975,420</u>	<u>1,727,589</u>	<u>247,831</u>
Undist. Expend. - Security					
Purchased professional & tech. services	87,720		87,720	86,695	1,025
General supplies					
Total Undst. Expend. - Security	<u>87,720</u>		<u>87,720</u>	<u>86,695</u>	<u>1,025</u>
Total Undst. Expend. - Oper. & Maint. of Plant Services *	<u>2,831,793</u>	<u>309,499</u>	<u>3,141,292</u>	<u>2,875,729</u>	<u>265,563</u>
Undist. Expend. - Student Trans. Services					
Salaries of non-instructional aids	87,525		87,525	75,530	11,995
Salaries for pupil trans (bet home & sch) - reg.	290,461		290,461	285,619	4,842
Salaries for pupil trans (bet home & sch) - spec ed.	97,567		97,567	91,540	6,027
Salaries for pupil trans (other than bet home & sch)	68,949	(18,200)	50,749	42,677	8,072
Salaries -Student Trans Home -School -Nonpublic	20,481		20,481	12,965	7,516
Other purchased prof. and tech. services	28,310		28,310	20,394	7,916
Cleaning, repair, and maintenance services	139,321	(8,050)	131,271	80,665	50,606
Lease Purchase Payments - School Buses	71,177		71,177	71,176	1
Contr. serv. (bet home & sch) - joint agreements	27,926		27,926	18,400	9,526
Contr. serv. (sp ed stds) - vendors	92,715	26,250	118,965	118,922	43
Contr. serv. - aid in lieu of payments-nonpub school	71,500		71,500	62,610	8,890
Contr. serv. - aid in lieu of payments-Charter School	1,800		1,800		1,800
Misc. purchased services - transportation	70,896		70,896	63,430	7,466
Transportaion supplies	99,334		99,334	52,974	46,360
Fuel Costs Funded by Advertising Revenue	1,600		1,600	200	1,400
Total Undst. Expend. - Student Trans. Services	<u>1,169,562</u>		<u>1,169,562</u>	<u>997,102</u>	<u>172,460</u>
Unallocated Benefits - Employee Benefits					
Social security contributions	423,273	53,600	476,873	455,006	21,867
Other retirement contributions - PERS	502,811	(41,580)	461,231	394,722	66,509
Other retirement contributions - Regular	47,883		47,883	35,343	12,540
Unemployment Compensation	378		378		378
Workmen's compensation	294,983		294,983	276,302	18,681
Health benefits	5,250,845	(145,000)	5,105,845	4,361,908	743,937
Tuition reimbursement	35,000		35,000	24,005	10,995
Other Employee Benefits	274,736	130,900	405,636	399,511	6,125
Unused Sick Payment to Terminated/Retired Staff	107,000		107,000	83,755	23,245
Total Unallocated Benefits - Employee Benefits	<u>6,936,909</u>	<u>(2,080)</u>	<u>6,934,829</u>	<u>6,030,552</u>	<u>904,277</u>
On-behalf TPAF pension contributions (non-budgeted)				1,658,534	(1,658,534)
On-behalf TPAF Post Retirement Medical (non-budgeted)				1,381,937	(1,381,937)
On-behalf TPAF - LTDI (non-budgeted)				4,007	(4,007)
Reimbursed TPAF social security contributions (non-budgeted)				1,119,409	(1,119,409)
Total Undistributed Expenditures - TPAF				<u>4,163,887</u>	<u>(4,163,887)</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.



**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Total Undistributed Expenditures	\$ 18,883,329	\$ 282,308	\$ 19,165,637	\$ 21,767,382	\$ (2,601,745)
Total General Current Expense	34,611,202	298,286	34,909,488	37,106,139	(2,196,651)
<b>EXPENDITURES:</b>					
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Undistributed Expenditures - Grades 9-12		9,589	9,589	9,589	
Undistributed Expenditures - School spon. & other instr. Prog.		17,800	17,800		17,800
Undistributed Expenditures - Instruction	40,000	8,935	48,935	34,734	14,201
Undist Expend - General Administration		2,881	2,881	2,881	
Undist Expend - Req. Maint. School Facilities		5,380	5,380	5,379	1
Total Equipment	40,000	44,585	84,585	52,583	32,002
Facilities Acquisition and Construction Services					
Construction Services	500,000		500,000	490,275	9,725
Assessment for Debt Service on SDA Funding	104,238		104,238	104,238	
Total Facilities Acquisition and Construction Services	604,238		604,238	594,513	9,725
Assets acquired under capital leases (non-budgeted):					
Equipment					
Transportation vehicles					
Total Assets acquired under capital leases					
Total Capital Outlay	644,238	44,585	688,823	647,096	41,727
Transfer of Funds to Charter Schools	35,990	(35,990)			
Total Expenditures	\$ 35,291,430	\$ 306,881	\$ 35,598,311	\$ 37,753,235	\$ (2,154,924)
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(1,899,600)	(306,881)	(2,226,087)	2,074	2,228,161
Other Financing Sources:					
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other					
Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(1,899,600)	(306,881)	(2,226,087)	2,074	2,228,161
Fund Balance, July 1	4,401,971		4,401,971	4,401,971	
Fund Balance, June 30	\$ 2,502,371	\$ (306,881)	\$ 2,175,884	\$ 4,404,045	\$ 2,228,161

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**MAPLE SHADE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2017**

(Continued from prior page)	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation of fund balance:					
Restricted Fund Balance:					
Reserve for Excess Surplus				\$ 1,246,215	
Reserve for Excess Surplus - Designated for Subsequent Year's Expenditures				1,113,599	
Maintenance Reserve				439,643	
Capital Reserve				685,131	
Assigned Fund Balance					
Year-end encumbrances				32,000	
Designated for Subsequent Year's Expenditures				186,401	
Unassigned Fund Balance				<u>701,056</u>	
				4,404,045	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(780,216)</u>	
Fund balance per Governmental Funds (GAAP)				<u>\$ 3,623,829</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**MAPLE SHADE SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2017**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	80,000	53,822	133,822	98,679	(35,143)
Federal sources	1,054,583	190,946	1,245,529	1,203,827	(41,702)
<b>Total revenues</b>	<b>1,134,583</b>	<b>244,768</b>	<b>1,379,351</b>	<b>1,302,506</b>	<b>(76,845)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	454,583	9,144	463,727	455,748	7,979
Purchased professional - tech. services		32,106	32,106	11,320	20,786
General supplies		5,518	5,518	5,238	280
Tuition	600,000	(3,811)	596,189	596,189	
Textbooks		11,125	11,125	2,340	8,785
<b>Total instruction</b>	<b>1,054,583</b>	<b>54,082</b>	<b>1,108,665</b>	<b>1,070,835</b>	<b>37,830</b>
Support services:					
Salaries for Supervisor of Instruction		4,424	4,424	4,423	1
Personal services - employee benefits		110,159	110,159	110,159	
Purchased professional - educ. services	80,000	67,044	147,044	108,051	38,993
Purchase professional and technical services		7,427	7,427	7,415	12
Other purchased services (400-500)		1,632	1,632	1,623	9
Supplies and materials					
<b>Total support services</b>	<b>80,000</b>	<b>190,686</b>	<b>270,686</b>	<b>231,671</b>	<b>39,015</b>
Facilities acquisition and construction services:					
Buildings/Renovation					
Non-instructional equipment					
<b>Total facilities acq. and const. services</b>					
Transfer to Charter Schools					
<b>Total expenditures</b>	<b>1,134,583</b>	<b>244,768</b>	<b>1,379,351</b>	<b>1,302,506</b>	<b>76,845</b>
<b>Total outflows</b>	<b>1,134,583</b>	<b>244,768</b>	<b>1,379,351</b>	<b>1,302,506</b>	<b>76,845</b>
<b>Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)</b>					

**Maple Shade School District  
Notes to Required Supplementary Information  
Budgetary Comparison**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 37,755,309	\$ 1,302,506
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	778,627	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(780,216)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 37,753,720</u>	<u>\$ 1,302,506</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 37,753,235	\$ 1,302,506
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 37,753,235</u>	<u>\$ 1,302,506</u>

Required Supplementary Information - Part III  
Schedules Related to Accounting and Reporting  
For Pensions (GASB 68)

**MAPLE SHADE SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees Retirement System**  
**Last Four Fiscal Years**

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0509400355%	0.0502798661%	0.0505091321%	0.0503650016%
District's proportionate share of the net pension liability (asset)	\$ 15,086,977	\$ 11,286,822	\$ 9,456,691	\$ 9,625,753
District's covered-employee payroll	3,471,904	3,508,977	3,463,409	3,370,714
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	434.54%	321.66%	273.05%	285.57%
Plan fiduciary net position as a percentage of the total pension liability	31.20%	38.21%	42.74%	40.71%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

**MAPLE SHADE SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Contributions**  
**Public Employees Retirement System**  
**Last Four Fiscal Years**

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 473,824	\$ 452,544	\$ 432,272	\$ 416,390
Contributions in relation to the contractually required contributions	<u>(473,824)</u>	<u>(452,544)</u>	<u>(432,272)</u>	<u>(416,390)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	3,471,904	3,508,977	3,463,409	3,370,714
Contributions as a percentage of covered-employee payroll	13.65%	12.90%	12.48%	12.35%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

**MAPLE SHADE SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Four Fiscal Years**

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.1483686031%	0.1440720067%	0.1377576796%	0.1362367249%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 116,716,190	\$ 91,059,661	\$ 73,626,996	\$ 68,852,969
<b>Total</b>	<b>\$ 116,716,190</b>	<b>\$ 91,059,661</b>	<b>\$ 73,626,996</b>	<b>\$ 68,852,969</b>
District's covered-employee payroll	15,754,286	15,608,940	15,191,703	14,785,112
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	22.33%	28.71%	33.64%	33.76%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.



**Maple Shade School District  
Notes to Required Supplementary Information  
Pension Schedules  
For the Fiscal Year Ended June 30, 2017**

**1. Teacher's Pension and Annuity Fund (TPAF)**

*Changes of benefit term:* 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.

*Changes of assumptions:* Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

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

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

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

Other Supplementary Information

Special Revenue Fund  
Detail Statements

**MAPLE SHADE SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2017**

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Brought Forward (Exh. E-1D)	Brought Forward (Exh. E-1E)	Totals 2017
<b>REVENUES:</b>					
State sources	\$ 64,021	\$ -	\$ -	\$ 34,658	\$ 98,679
Federal sources		584,904	618,923		1,203,827
Local sources			-		
<b>Total Revenues</b>	<u>64,021</u>	<u>584,904</u>	<u>618,923</u>	<u>34,658</u>	<u>1,302,506</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers		455,748			455,748
Purchase professional and technical services		11,320			11,320
Other purchased services					
General supplies		220		5,018	5,238
Tuition			596,189		596,189
Textbooks				2,340	2,340
<b>Total instruction</b>		<u>467,288</u>	<u>596,189</u>	<u>7,358</u>	<u>1,070,835</u>
Support services:					
Salaries for Supervisor of Instruction		4,423			4,423
Personal services-employee benefits		110,159			110,159
Purchased prof. and educational services	64,021		16,730	27,300	108,051
Purchase professional and technical services		1,411	6,004		7,415
Other purchased services (400-500)					
Supplies and materials		1,623			1,623
<b>Total support services</b>	<u>64,021</u>	<u>117,616</u>	<u>22,734</u>	<u>27,300</u>	<u>231,671</u>
Facilities acquisition and const. serv.:					
Building/Renovation					
Non-instructional equipment					
<b>Total facilities acquisition and const. serv.:</b>					
<b>Total Expenditures</b>	<u>64,021</u>	<u>584,904</u>	<u>618,923</u>	<u>34,658</u>	<u>1,302,506</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					

**MAPLE SHADE SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2017**

	Chapter 192 - Auxillary Services		Chapter 193 - Handicapped Services			Carried Forward (Exh. E-1A)
	Comp. Education	E.S.L.	Corrective Speech	Suppl. Instruction	Exam & Classification	
<b>REVENUES:</b>						
State sources	\$ 36,638	\$ -	\$ 11,662	\$ 4,552	\$ 11,169	\$ 64,021
Federal sources						
Local sources						
<b>Total Revenues</b>	<b>36,638</b>		<b>11,662</b>	<b>4,552</b>	<b>11,169</b>	<b>64,021</b>
<b>EXPENDITURES:</b>						
Instruction:						
Tuition						
Professional educational services						
Purchase professional and technical services						
Other purchased services						
Textbooks						
Other objects						
<b>Total instruction</b>						
Support services:						
Salaries of supervisors for instruction =						
Personal services-employee benefits						
Professional educational services	36,638		11,662	4,552	11,169	64,021
Other purchased services (400-500)						
Other objects						
<b>Total support services</b>	<b>36,638</b>		<b>11,662</b>	<b>4,552</b>	<b>11,169</b>	<b>64,021</b>
Facilities acquisition and const. serv.:						
Instructional equipment						
Non-instructional equipment						
<b>Total facilities acquisition and const. serv.:</b>						
<b>Total Expenditures</b>	<b>36,638</b>		<b>11,662</b>	<b>4,552</b>	<b>11,169</b>	<b>64,021</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)						

**MAPLE SHADE SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2017**

E.S.E.A. as amended by No Child Left Behind (N.C.L.B.)

	<u>Title III - Immigrant</u> Current Yr.	<u>Title III</u> Current Yr.	<u>Title IIA</u> Current Yr.	<u>Title I</u> Current Yr.	<u>Totals</u>
<b>REVENUES:</b>					
State sources					
Federal sources	\$ 4,953	\$ 15,466	\$ 39,478	\$ 525,007	\$ 584,904
Local sources					
<b>Total Revenues</b>	<u>4,953</u>	<u>15,466</u>	<u>39,478</u>	<u>525,007</u>	<u>584,904</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	4,573	11,802	30,684	408,689	455,748
Purchase professional and technical services				11,320	11,320
Other purchased services					
General supplies				220	220
Other objects					
<b>Total instruction</b>	<u>4,573</u>	<u>11,802</u>	<u>30,684</u>	<u>420,229</u>	<u>467,288</u>
Support services:					
Salaries for Supervisor of Instruction	380			4,043	4,423
Purchased prof. and educational services					
Personal services-employee benefits		3,069	7,978	99,112	110,159
Purchase professional and technical services		595	816		1,411
Other purchased services					
Supplies and materials				1,623	1,623
<b>Total support services</b>	<u>380</u>	<u>3,664</u>	<u>8,794</u>	<u>104,778</u>	<u>117,616</u>
Facilities acquisition and const. serv.:					
Instructional equipment					
Non-instructional equipment					
<b>Total facilities acquisition and const. serv.:</b>					
<b>Total Expenditures</b>	<u>4,953</u>	<u>15,466</u>	<u>39,478</u>	<u>525,007</u>	<u>584,904</u>
<b>Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)</b>					

**MAPLE SHADE SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2017**

	Basic Current Yr.	Preschool Current Yr.	Totals
<b>REVENUES:</b>			
State sources			
Federal sources	\$ 600,991	\$ 17,932	\$ 618,923
Local sources			
<b>Total Revenues</b>	<b>600,991</b>	<b>17,932</b>	<b>618,923</b>
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of teachers			
Salaries of aides			
Purchase professional and technical services			
General supplies			
Tuition	578,257	17,932	596,189
Textbooks			
Other purchased services			
<b>Total instruction</b>	<b>578,257</b>	<b>17,932</b>	<b>596,189</b>
Support services:			
Salaries of other professional staff			
Personal services-employee benefits			
Purchased prof. and educational services	16,730		16,730
Purchase professional and technical services	6,004		6,004
Supplies and materials			
<b>Total support services</b>	<b>22,734</b>		<b>22,734</b>
Facilities acquisition and const. serv.:			
Building/Renovation			
Non-instructional equipment			
<b>Total facilities acquisition and const. serv.:</b>			
<b>Total Expenditures</b>	<b>600,991</b>	<b>17,932</b>	<b>618,923</b>
<b>Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)</b>			

**MAPLE SHADE SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2017**

	Nonpublic				Totals
	Textbook	Nursing	Technology	Security	
<b>REVENUES:</b>					
State sources	\$ 2,340	\$ 17,550	\$ 5,018	\$ 9,750	\$ 34,658
Federal sources					
Local sources					
<b>Total Revenues</b>	<u>2,340</u>	<u>17,550</u>	<u>5,018</u>	<u>9,750</u>	<u>34,658</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers					
Salaires of aides					
Purchase professional and technical services					
General supplies			5,018		5,018
Tuition					
Textbooks	2,340				2,340
Other purchased services					
<b>Total instruction</b>	<u>2,340</u>		<u>5,018</u>		<u>7,358</u>
Support services:					
Salaries of other professional staff					
Personal services-employee benefits					
Purchased prof. and educational services		17,550		9,750	27,300
Purchase professional and technical services					
Supplies and materials					
<b>Total support services</b>		<u>17,550</u>		<u>9,750</u>	<u>27,300</u>
Facilities acquisition and const. serv.:					
Building/Renovation					
Non-instructional equipment					
<b>Total facilities acquisition and const. serv.:</b>					
<b>Total Expenditures</b>	<u>2,340</u>	<u>17,550</u>	<u>5,018</u>	<u>9,750</u>	<u>34,658</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					



Proprietary Funds  
Detail Statements

**MAPLE SHADE SCHOOL DISTRICT**  
**Enterprise Funds**  
Combining Statement of Net Position  
as of June 30, 2017

	School Store	School Age Child Care	Food Service	Total
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 845	\$ 269,500	\$ 376,089	\$ 646,434
Accounts receivable:				
State			392	392
Federal			25,819	25,819
Other		23,020	8,925	31,945
Interfund		1,064	983	2,047
Inventories	7,522		17,172	24,694
Total current assets	<u>8,367</u>	<u>293,584</u>	<u>429,380</u>	<u>731,331</u>
Fixed assets:				
Equipment			430,499	430,499
Less Accumulated depreciation			(367,348)	(367,348)
Total fixed assets			<u>63,151</u>	<u>63,151</u>
Total assets	<u>\$ 8,367</u>	<u>\$ 293,584</u>	<u>\$ 492,531</u>	<u>\$ 794,482</u>
<b>LIABILITIES:</b>				
Current liabilities:				
Accounts payable	\$ 77	\$ 1,602	\$ -	\$ 1,679
Compensated absences payable		7,260	16,058	23,318
Unearned revenue		3,958	8,848	12,806
Other liabilities				
Interfund payable		6,461	126,680	133,141
Total current liabilities	<u>77</u>	<u>19,281</u>	<u>151,586</u>	<u>170,944</u>
<b>NET POSITION:</b>				
Net investment in capital assets			63,151	63,151
Unreserved retained earnings	8,290	274,303	277,794	560,387
Total net position	<u>\$ 8,290</u>	<u>\$ 274,303</u>	<u>\$ 340,945</u>	<u>\$ 623,538</u>

**MAPLE SHADE SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Revenues, Expenses and Changes in Fund Net Position  
for the Fiscal Year ended June 30, 2017

	School Store	School Age Child Care	Food Service	Total
<b>OPERATING REVENUES:</b>				
Local sources:				
Daily sales-reimbursable programs:				
School lunch program	\$ -	\$ -	\$ 245,048	\$ 245,048
Total-daily sales-reimbursable programs			245,048	245,048
Daily sales non-reimbursable programs				
School store sales	7,601		133,571	133,571
Program fees		347,694		347,694
Special functions			24,409	24,409
Total operating revenue	7,601	347,694	403,028	758,323
<b>OPERATING EXPENSES:</b>				
Salaries		208,590	451,555	660,145
Employee benefits		19,672	125,517	145,189
Supplies and materials		8,357	25,786	34,143
Depreciation			12,143	12,143
Management fee				
Repairs and maintenance of equipment			50,009	50,009
Cost of Sales-Reimbursable	8,526	12,296	243,419	264,241
Cost of Sales- Nonreimbursable			162,278	162,278
Purchased property services				
Other		32,817	10,343	43,160
Total operating expenses	8,526	281,732	1,081,050	1,371,308
Operating income (loss)	(925)	65,962	(678,022)	(612,985)
Non-operating revenues:				
State sources:				
State school lunch program			9,534	9,534
Federal sources:				
National school lunch program			411,429	411,429
National school breakfast program			142,216	142,216
U.S.D.A. commodities			83,276	83,276
Interest revenue	1	249	303	553
Miscellaneous		2,593	2,847	5,440
Total non-operating revenues	1	2,842	649,605	652,448
Net income (loss) before contributions and transfers	(924)	68,804	(28,417)	39,463
Operating transfer out				
Change in net position	(924)	68,804	(28,417)	39,463
Net Position - July 1	9,214	205,499	369,362	584,075
Net Position - June 30	\$ 8,290	\$ 274,303	\$ 340,945	\$ 623,538

**MAPLE SHADE SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Cash Flows**  
for the Fiscal Year ended June 30, 2017

	School Store	School Age Child Care	Food Service	Total
Cash flows from operating activities:				
Cash receipts from customers	\$ 7,831	\$ 341,322	\$ 434,632	\$ 783,785
Cash payments to employees for services		(222,324)	(422,965)	(645,289)
Cash payments to suppliers for goods and services	(8,372)	(51,027)	(438,392)	(497,791)
Net cash used by operating activities	(541)	67,971	(426,725)	(359,295)
Cash flows from noncapital financing activities:				
Miscellaneous		2,593	2,847	5,440
Operating transfer out				
Cash received from state and federal reimbursements			563,951	563,951
Net cash provided by noncapital financing activities		2,593	566,798	569,391
Cash flows from capital financing activities:				
Purchases of fixed assets				
Net cash used by capital financing activities				
Cash flows from investing activities:				
Interest on investments	1	249	303	553
Net cash provided by investing activities	1	249	303	553
Net increase (decrease) in cash and cash equivalents	(540)	70,813	140,376	210,649
Cash and cash equivalents, July 1	1,385	198,687	235,713	435,785
Cash and cash equivalents, June 30	\$ 845	\$ 269,500	\$ 376,089	\$ 646,434
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (925)	\$ 65,962	\$ (678,022)	\$ (612,985)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:				
Depreciation			12,143	12,143
Federal commodities			83,276	83,276
Change in assets and liabilities:				
(Increase)/decrease in accounts receivable		(2,504)	(4,935)	(7,439)
(Increase)/decrease in interfund receivable			37,825	37,825
(Increase)/decrease in inventory	387		10,703	11,090
Increase/(decrease) in unearned revenue		(3,867)	1,192	(2,675)
Increase/(decrease) in interfund payable		6,318	113,976	120,294
Increase/(decrease) in compensated absences payable		460	(2,883)	(2,423)
Increase/(decrease) in accounts payable	(3)	1,602		1,599
Net cash used by operating activities	\$ (541)	\$ 67,971	\$ (426,725)	\$ (359,295)

Fiduciary Funds  
Detail Statements

**MAPLE SHADE SCHOOL DISTRICT**  
**Fiduciary Funds**  
Combining Statement of Net Position  
June 30, 2017

	Agency Funds		Private Purpose Trust Fund	Employee Benefits Trust Fund	Total
	Student Activity	Payroll		Unemployment Compensation Insurance Fund	
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 146,542	\$ 5,800	\$ 18,603	\$ 236,575	\$ 407,520
Interfund receivable					
<b>TOTAL ASSETS</b>	<b>\$ 146,542</b>	<b>\$ 5,800</b>	<b>\$ 18,603</b>	<b>\$ 236,575</b>	<b>\$ 407,520</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable				4,266	4,266
Payroll deductions and withholdings		2,095			2,095
Interfund payable		3,705			3,705
Due to student groups	146,542				146,542
<b>Total liabilities</b>	<b>146,542</b>	<b>5,800</b>	<b>-</b>	<b>4,266</b>	<b>156,608</b>
<b>FUND BALANCES:</b>					
Reserved for unemployment claims				232,309	232,309
Unreserved			18,603		18,603
<b>Total fund balances</b>	<b>---</b>	<b>---</b>	<b>18,603</b>	<b>232,309</b>	<b>250,912</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 146,542</b>	<b>\$ 5,800</b>	<b>\$ 18,603</b>	<b>\$ 236,575</b>	<b>\$ 407,520</b>

**MAPLE SHADE SCHOOL DISTRICT**  
**Fiduciary Fund**  
Combining Statement of Changes in Fiduciary Net Position  
for the Fiscal Year ended June 30, 2017

	Private Purpose Trust Fund	Employee Benefits Trust Fund Unemployment Compensation Insurance Fund	Total
<b>REVENUES:</b>			
Local sources:			
Contributions	\$ 19,773	\$ 34,618	\$ 54,391
Interest on Investments	60	222	282
Total Revenues	<u>19,833</u>	<u>34,840</u>	<u>54,673</u>
<b>EXPENDITURES:</b>			
Current Expense:			
Undistributed Expenditures:			
Unemployment claims		35,118	35,118
Scholarship payments	22,900		22,900
Total Expenditures	<u>22,900</u>	<u>35,118</u>	<u>58,018</u>
Excess (deficiency) of revenues over (under) expenditures)	(3,067)	(278)	(3,345)
Fund Balance July 1	<u>21,670</u>	<u>232,587</u>	<u>254,257</u>
Fund Balance June 30	<u>\$ 18,603</u>	<u>\$ 232,309</u>	<u>\$ 250,912</u>

**MAPLE SHADE SCHOOL DISTRICT**  
**Student Activity Agency Fund**  
 Schedule of Receipts and Disbursements  
 for the Fiscal Year ended June 30, 2017

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	<u>Balance</u> <u>July 1, 2016</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Accounts</u> <u>Payable</u> <u>June 30, 2017</u>	<u>Balance</u> <u>June 30, 2017</u>
<b>JUNIOR/SENIOR HIGH SCHOOLS:</b>					
Maple Shade: Activities	\$ 148,363	\$ 475,896	\$ 477,717	\$ -	\$ 146,542
Total	<u>\$ 148,363</u>	<u>\$ 475,896</u>	<u>\$ 477,717</u>	<u>\$ -</u>	<u>\$ 146,542</u>



**MAPLE SHADE SCHOOL DISTRICT**  
**Payroll Agency Fund**  
Schedule of Receipts and Disbursements  
for the Fiscal Year ended June 30, 2017

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 236,011	\$ 25,398,621	\$ 25,628,832	\$ 5,800
Interfund receivable			-	
Total assets	<u>\$ 236,011</u>	<u>\$ 25,398,621</u>	<u>\$ 25,628,832</u>	<u>\$ 5,800</u>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 167,907	\$ 12,581,049	\$ 12,746,861	\$ 2,095
Net payroll		12,817,237	12,817,237	
Interfund payable	<u>68,104</u>	<u>335</u>	<u>64,734</u>	<u>3,705</u>
Total liabilities	<u>\$ 236,011</u>	<u>\$ 25,398,621</u>	<u>\$ 25,628,832</u>	<u>\$ 5,800</u>

## Long-Term Debt Schedules

**MAPLE SHADE SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
 Statement of Serial Bonds  
 June 30, 2017

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017
			Date	Amount					
2012 Refunding Bonds	4/01/2012	\$ 15,455,000	04/01/18	\$ 895,000	3.000%	\$ 13,435,000	\$ -	\$ 855,000	\$ 12,580,000
			04/01/19	890,000	3.000%				
			04/01/20	985,000	3.000%				
			04/01/21	975,000	3.000%				
			04/01/22	965,000	3.000%				
			04/01/23	955,000	2.750%				
			04/01/24	945,000	3.000%				
			04/01/25	990,000	3.000%				
			04/01/26	1,020,000	3.125%				
			04/01/27	1,010,000	3.250%				
			04/01/28	995,000	3.250%				
			04/01/29	985,000	3.375%				
			04/01/30	970,000	3.500%				
Balance forward									

**MAPLE SHADE SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
Statement of Serial Bonds  
June 30, 2017

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017
			Date	Amount					
Balance carried forward						\$ 13,435,000	\$ -	\$ 855,000	\$ 12,580,000
2013 Refunding Bonds	12/1/2013	\$ 3,860,000	03/01/18	\$ 645,000	3.000%	2,540,000		650,000	1,890,000
			03/01/19	635,000	3.000%				
			03/01/20	610,000	3.000%				
						<u>\$ 15,975,000</u>	<u>\$ -</u>	<u>\$ 1,505,000</u>	<u>\$ 14,470,000</u>

**MAPLE SHADE SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
Statement of Obligations Under Capital Leases  
June 30, 2017

Purpose	Interest Rate Payable	Amount of Original Issue	Amount Outstanding 6/30/2016	Issued Current Year	Retired Current Year	Amount Outstanding 6/30/2017
Acquisition of One School Bus	2.30%	\$ 88,985	\$ 53,476	-	\$ 17,422	\$ 36,054
Acquisition of Three School Buses	1.88%	253,297	200,773		48,742	152,031
			<u>\$ 254,249</u>	<u>\$ -</u>	<u>\$ 66,164</u>	<u>\$ 188,085</u>

**MAPLE SHADE SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**Fiscal Year Ended June 30, 2017**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 1,781,904	\$ -	\$ 1,781,904	\$ 1,781,904	\$ -
Total revenues - local sources	<u>1,781,904</u>		<u>1,781,904</u>	<u>1,781,904</u>	
State sources:					
State aid	<u>220,890</u>		<u>220,890</u>	<u>220,890</u>	
Total revenues - state sources	<u>220,890</u>		<u>220,890</u>	<u>220,890</u>	
Total Revenues	<u>2,002,794</u>		<u>2,002,794</u>	<u>2,002,794</u>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest	497,794		497,794	497,794	
Redemption of principal	1,505,000		1,505,000	1,505,000	
Total Expenditures	<u>2,002,794</u>		<u>2,002,794</u>	<u>2,002,794</u>	
Excess (Deficiency) of revenues over (under) expenditures					
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)					
Net Change in Fund Balance					
Fund Balances, July 1					
Fund Balances, June 30	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Statistical Section**

Maple Shade School District  
 Net Position by Component,  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

Exhibit J-1

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 7,145,932	\$ 7,841,059	\$ 8,413,713	\$ 8,713,998	\$ 8,741,419	\$ 9,864,305	\$ 10,707,401	\$ 11,299,664	\$ 11,766,184	\$ 12,524,556
Restricted for:	-	-	-	-	-	-	-	-	-	-
Special revenue	(4,215)	-	-	-	-	-	-	-	-	-
Debt service	184,511	(156,464)	(258,448)	13,387	9,180	37,617	58,648	21,031	-	-
Other purposes	3,116,421	3,157,807	1,164,679	2,642,360	3,707,393	4,436,237	4,302,666	4,154,525	3,735,127	3,702,989
Unrestricted	(1,358,472)	(1,365,686)	(1,335,313)	(1,682,281)	(1,208,737)	(1,463,734)	(1,554,892)	(10,893,756)	(11,227,676)	(12,915,759)
<b>Total governmental activities net position</b>	<b>\$ 9,084,177</b>	<b>\$ 9,476,716</b>	<b>\$ 7,984,631</b>	<b>\$ 9,687,464</b>	<b>\$ 11,249,255</b>	<b>\$ 12,874,425</b>	<b>\$ 13,513,823</b>	<b>\$ 4,581,464</b>	<b>\$ 4,273,635</b>	<b>\$ 3,311,786</b>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 168,639	\$ 151,656	\$ 134,998	\$ 118,668	\$ 102,337	\$ 86,007	\$ 105,681	\$ 91,632	\$ 75,294	\$ 63,151
Unrestricted	341,464	374,756	440,505	312,711	292,870	381,076	389,221	462,523	508,781	560,387
<b>Total business-type activities net position</b>	<b>\$ 510,103</b>	<b>\$ 526,412</b>	<b>\$ 575,503</b>	<b>\$ 431,379</b>	<b>\$ 395,207</b>	<b>\$ 467,083</b>	<b>\$ 494,902</b>	<b>\$ 554,155</b>	<b>\$ 584,075</b>	<b>\$ 623,538</b>
<b>District-wide:</b>										
Net investment in capital assets	\$ 7,314,571	\$ 7,992,715	\$ 8,548,711	\$ 8,832,666	\$ 8,843,756	\$ 9,950,312	\$ 10,813,082	\$ 11,391,296	\$ 11,841,478	\$ 12,587,707
Restricted:										
Special revenue	(4,215)	-	-	-	-	-	-	-	-	-
Debt service	184,511	(156,464)	(258,448)	13,387	9,180	37,617	58,648	21,031	-	-
Other purposes	3,116,421	3,157,807	1,164,679	2,642,360	3,707,393	4,436,237	4,302,666	4,154,525	3,735,127	3,702,989
Unrestricted	(1,017,008)	(990,930)	(894,808)	(1,369,570)	(915,867)	(1,082,658)	(1,165,671)	(10,431,233)	(10,718,895)	(12,355,372)
<b>Total district net position</b>	<b>\$ 9,594,280</b>	<b>\$ 10,003,128</b>	<b>\$ 8,560,134</b>	<b>\$ 10,118,843</b>	<b>\$ 11,644,462</b>	<b>\$ 13,341,508</b>	<b>\$ 14,008,725</b>	<b>\$ 5,135,619</b>	<b>\$ 4,857,710</b>	<b>\$ 3,935,324</b>



Maple Shade School District  
 Changes in Net Position, Last Ten Fiscal Years  
 (accrual basis of accounting)

Exhibit J-2

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	\$ 7,631,259	\$ 9,789,776	\$ 9,573,089	\$ 9,303,929	\$ 10,039,639	\$ 9,996,443	\$ 10,675,180	\$ 10,829,275	\$ 11,278,482	\$ 11,083,681
Special education	3,574,567	3,663,886	4,113,909	4,035,411	4,321,755	4,653,009	4,741,683	5,256,723	5,465,486	5,414,491
Other instruction	686,331	781,141	880,585	720,738	688,442	738,959	789,437	783,687	769,053	852,476
Support Services:										
Tuition	1,150,435	1,426,284	1,343,235	1,109,530	1,210,734	1,036,736	1,108,329	1,086,943	1,144,050	1,312,550
Student & instruction related services	3,162,318	3,462,824	3,940,008	3,568,044	3,553,237	3,563,797	3,602,661	3,814,195	4,043,375	4,036,584
School administrative services	1,385,787	1,163,748	1,211,661	1,180,495	1,233,999	1,357,413	1,287,436	1,400,314	1,436,508	1,440,721
General and business administrative services	1,076,350	1,098,814	1,118,120	1,112,944	1,277,960	1,076,278	1,183,465	1,135,454	1,122,256	1,127,184
Plant operations and maintenance	1,045,245	3,478,281	3,497,489	2,764,603	3,030,699	2,822,027	2,937,535	3,336,258	3,383,024	3,495,626
Pupil transportation	861,010	736,817	780,931	1,248,863	938,997	901,541	966,150	967,334	967,450	997,102
Unallocated employee benefits	7,167,402	6,080,259	6,906,069	6,684,782	5,842,792	8,079,780	7,980,343	8,603,957	9,719,254	11,765,114
Special schools	4,965	5,477	-	-	-	-	-	-	-	-
Charter schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	1,265,495	1,140,382	1,070,066	1,005,371	774,348	623,545	706,397	531,671	498,460	460,596
Unallocated depreciation and amortization	73,034	77,813	63,319	62,276	75,424	49,449	49,037	41,232	48,063	34,744
Total governmental activities expenses	<u>29,084,198</u>	<u>32,905,502</u>	<u>34,498,481</u>	<u>32,796,986</u>	<u>32,988,026</u>	<u>34,898,977</u>	<u>36,027,653</u>	<u>37,787,043</u>	<u>39,875,461</u>	<u>42,020,869</u>
Business-type activities:										
School Store	\$ 12,465	\$ 11,041	\$ 12,545	\$ 9,053	\$ 13,332	\$ 8,453	\$ 10,644	\$ 4,008	\$ 5,704	\$ 8,526
After School Program	232,493	287,060	319,836	356,182	392,754	331,372	339,051	312,177	279,291	281,732
Food Service	828,321	837,135	860,583	873,538	973,565	853,987	1,042,900	1,065,804	1,094,282	1,081,050
Total business-type activities expense	<u>1,073,279</u>	<u>1,135,236</u>	<u>1,192,964</u>	<u>1,238,773</u>	<u>1,379,651</u>	<u>1,193,812</u>	<u>1,392,595</u>	<u>1,381,989</u>	<u>1,379,277</u>	<u>1,371,308</u>
Total district expenses	<u>30,157,477</u>	<u>34,040,738</u>	<u>35,691,445</u>	<u>34,035,759</u>	<u>34,367,677</u>	<u>36,092,789</u>	<u>37,420,248</u>	<u>39,169,032</u>	<u>41,254,738</u>	<u>43,392,177</u>
<b>Program Revenues:</b>										
Governmental activities:										
Operating grants and contributions	4,061,710	3,200,322	3,483,372	3,592,718	2,588,472	4,345,656	4,188,188	4,626,325	5,339,069	5,687,283
Total governmental activities program revenues	<u>4,061,710</u>	<u>3,200,322</u>	<u>3,483,372</u>	<u>3,592,718</u>	<u>2,588,472</u>	<u>4,345,656</u>	<u>4,188,188</u>	<u>4,626,325</u>	<u>5,339,069</u>	<u>5,687,283</u>

(Continued)

Maple Shade School District  
 Changes in Net Position, Last Ten Fiscal Years  
 (accrual basis of accounting)

Exhibit J-2

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Business-type activities:</b>										
Charges for services:										
School Store	\$ 13,152	\$ 10,744	\$ 13,203	\$ 10,083	\$ 9,957	\$ 9,392	\$ 8,649	\$ 7,898	\$ 6,290	\$ 7,601
After School Program	256,920	282,242	306,767	286,533	360,547	334,892	383,180	380,676	360,034	347,694
Food Service	522,493	540,320	542,437	519,926	487,063	432,679	448,785	416,702	415,596	403,028
Operating grants and contributions	275,698	309,390	366,721	373,460	482,494	485,287	579,411	631,615	626,720	646,455
Capital grants and contributions										
Total business type activities program revenues	<u>1,068,263</u>	<u>1,142,696</u>	<u>1,229,128</u>	<u>1,190,002</u>	<u>1,340,061</u>	<u>1,262,250</u>	<u>1,420,025</u>	<u>1,436,891</u>	<u>1,408,640</u>	<u>1,404,778</u>
Total district program revenues	<u>\$ 5,129,973</u>	<u>\$ 4,343,018</u>	<u>\$ 4,712,500</u>	<u>\$ 4,782,720</u>	<u>\$ 3,928,533</u>	<u>\$ 5,607,906</u>	<u>\$ 5,608,213</u>	<u>\$ 6,063,216</u>	<u>\$ 6,747,709</u>	<u>\$ 7,092,061</u>
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (25,022,488)	\$ (29,705,180)	\$ (31,015,109)	\$ (29,204,268)	\$ (30,399,554)	\$ (30,553,321)	\$ (31,839,465)	\$ (33,160,718)	\$ (34,536,392)	\$ (36,333,586)
Business-type activities	(5,016)	7,460	36,164	(48,771)	(39,590)	68,438	27,430	54,902	29,363	33,470
Total district-wide net expense	<u>\$ (25,027,504)</u>	<u>\$ (29,697,720)</u>	<u>\$ (30,978,945)</u>	<u>\$ (29,253,039)</u>	<u>\$ (30,439,144)</u>	<u>\$ (30,484,883)</u>	<u>\$ (31,812,035)</u>	<u>\$ (33,105,816)</u>	<u>\$ (34,507,029)</u>	<u>\$ (36,300,116)</u>
<b>General Revenues and Other Changes in Net Assets:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 18,835,207	\$ 19,015,269	\$ 19,015,269	\$ 20,383,394	\$ 20,821,703	\$ 21,238,137	\$ 21,662,900	\$ 22,457,797	\$ 23,204,506	\$ 24,186,667
Taxes levied for debt service	1,596,139	2,167,074	2,167,074	2,189,388	2,218,533	2,152,858	1,789,612	1,792,243	1,809,713	1,781,904
Unrestricted grants and contributions	7,981,180	8,469,080	7,938,731	7,781,878	8,505,465	8,643,024	8,714,129	8,889,246	8,772,697	8,989,948
Tuition	63,846	128,594	133,383	239,695	263,233	373,229	138,126	166,524	186,118	186,537
Investment earnings	198,824	59,641	41,889	-	-	-	-	-	-	-
Miscellaneous income	444,020	258,061	226,678	212,746	152,411	198,234	174,096	168,812	255,529	226,681
Transfers				100,000	-	-	-	-	-	-
Total governmental activities	<u>29,119,216</u>	<u>30,097,719</u>	<u>29,523,024</u>	<u>30,907,101</u>	<u>31,961,345</u>	<u>32,605,482</u>	<u>32,478,863</u>	<u>33,474,622</u>	<u>34,228,563</u>	<u>35,371,737</u>
Business-type activities:										
Investment earnings	\$ 9,235	\$ 3,238	\$ 3,612	\$ 2,187						
Miscellaneous income	3,123	5,611	9,315	2,460	\$ 3,418	\$ 3,438	\$ 389	\$ 4,351	\$ 557	\$ 5,993
Transfers				(100,000)	-	-	-	-	-	-
Contribution of equipment	103,647	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>116,005</u>	<u>8,849</u>	<u>12,927</u>	<u>(95,353)</u>	<u>3,418</u>	<u>3,438</u>	<u>389</u>	<u>4,351</u>	<u>557</u>	<u>5,993</u>
Total district-wide	<u>\$ 29,235,221</u>	<u>\$ 30,106,568</u>	<u>\$ 29,535,951</u>	<u>\$ 30,811,748</u>	<u>\$ 31,964,763</u>	<u>\$ 32,608,920</u>	<u>\$ 32,479,252</u>	<u>\$ 33,478,973</u>	<u>\$ 34,229,120</u>	<u>\$ 35,377,730</u>
<b>Change in Net Position:</b>										
Governmental activities	\$ 4,096,728	\$ 392,539	\$ (1,492,085)	\$ 1,702,833	\$ 1,561,791	\$ 2,052,161	\$ 639,398	\$ 313,904	\$ (307,829)	\$ (961,849)
Business-type activities	110,989	16,309	49,091	(144,124)	(36,172)	71,876	27,819	59,253	29,920	39,463
Total district-wide	<u>\$ 4,207,717</u>	<u>\$ 408,848</u>	<u>\$ (1,442,994)</u>	<u>\$ 1,558,709</u>	<u>\$ 1,525,619</u>	<u>\$ 2,124,037</u>	<u>\$ 667,217</u>	<u>\$ 373,157</u>	<u>\$ (277,909)</u>	<u>\$ (922,386)</u>

Maple Shade School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Exhibit J-3

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund:										
Reserved for:										
Encumbrances	\$ -	\$ -	\$ 15,032	\$ 232,270	\$ 2,800	\$ 8,992	\$ 5,750	\$ 89,540	\$ -	\$ 32,000
Capital reserve	402,725	433,723	234,292	684,992	1,080,315	1,246,323	1,133,727	1,052,408	775,004	685,131
Maintenance reserve	100,000	100,000	200,000	450,000	650,000	650,000	618,080	446,524	446,524	439,643
Legally restricted		1,509,245	706,195	497,615	1,077,483	1,394,307	1,400,000	1,400,000	1,400,000	1,300,000
Excess surplus	1,214,912	1,022,459		777,483	896,795	1,136,615	1,145,109	1,148,892	1,113,599	1,246,215
Unreserved	256,034	(95,645)	(37,369)	20,425	12,015	(171,405)	(161,697)	(129,846)	(111,783)	(79,160)
Total general fund	<u>\$ 1,973,671</u>	<u>\$ 2,969,782</u>	<u>\$ 1,118,150</u>	<u>\$ 2,662,785</u>	<u>\$ 3,719,408</u>	<u>\$ 4,264,832</u>	<u>\$ 4,140,969</u>	<u>\$ 4,007,518</u>	<u>\$ 3,623,344</u>	<u>\$ 3,623,829</u>
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ 1,153,653	\$ 72,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	(4,215)	-	-	-	-	-	-	-	-	-
Capital projects fund	235,490	19,637	9,160	-	-	-	-	17,161	-	-
Debt service fund	526,713	160,569	36,167	13,387	9,180	37,617	58,648	21,031	-	-
Total all other governmental funds	<u>\$ 1,911,641</u>	<u>\$ 252,949</u>	<u>\$ 45,327</u>	<u>\$ 13,387</u>	<u>\$ 9,180</u>	<u>\$ 37,617</u>	<u>\$ 58,648</u>	<u>\$ 38,192</u>	<u>\$ -</u>	<u>\$ -</u>

Maple Shade School District  
Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Exhibit J-4

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Tax levy	\$ 20,431,346	\$ 21,182,343	\$ 21,182,343	\$ 22,572,782	\$ 23,040,236	\$ 23,390,995	\$ 23,452,512	\$ 24,250,040	\$ 25,014,219	\$ 25,968,571
Tuition charges	63,846	128,594	133,383	239,695	263,233	373,229	138,126	166,524	186,118	186,537
Transportation charges	82,300	77,687	98,336	56,149	29,972	40,249	23,285	58,686	54,549	93,107
Miscellaneous	560,544	245,050	175,266	156,597	122,439	157,985	150,811	110,126	226,721	133,574
State sources	11,196,034	10,793,248	9,061,352	10,019,406	9,801,689	11,906,440	11,576,667	12,241,030	12,727,659	13,349,650
Federal sources	846,856	871,119	2,355,716	1,355,190	1,292,248	1,082,240	1,325,650	1,274,541	1,358,366	1,327,581
Total revenue	<u>33,180,926</u>	<u>33,298,041</u>	<u>33,006,396</u>	<u>34,399,819</u>	<u>34,549,817</u>	<u>36,951,138</u>	<u>36,667,051</u>	<u>38,100,947</u>	<u>39,567,632</u>	<u>41,059,020</u>
<b>Expenditures</b>										
Instruction										
Regular instruction	9,022,538	8,743,701	8,878,579	8,526,584	9,159,809	9,635,224	9,962,026	10,052,788	10,518,778	10,142,625
Special education instruction	3,574,567	3,663,886	4,113,909	4,035,411	4,321,755	4,653,009	4,741,683	5,256,723	5,465,486	5,414,491
Other instruction	686,331	781,141	880,585	720,738	688,442	738,959	789,437	783,687	769,053	852,476
Support Services:										
Tuition	1,150,435	1,426,284	1,343,235	1,109,530	1,210,734	1,036,736	1,108,329	1,086,943	1,144,050	1,312,550
Student & instruction related services	3,162,318	3,462,824	3,940,008	3,568,044	3,553,237	3,563,797	3,602,661	3,814,195	4,043,375	4,036,584
General and business admin. services	988,456	1,001,362	1,020,797	1,017,706	1,181,012	1,076,278	1,287,436	1,038,089	1,026,131	1,031,769
School administrative services	1,385,787	1,163,748	1,211,661	1,180,495	1,233,999	1,258,513	1,085,389	1,400,314	1,436,508	1,440,721
Plant operations and maintenance	2,605,332	2,450,626	2,649,655	2,564,997	2,638,851	2,539,984	2,611,552	2,665,131	2,674,817	2,875,729
Pupil transportation	861,010	736,817	780,931	851,083	938,997	901,541	966,150	967,334	967,450	997,102
Other support services	7,167,402	6,080,259	6,906,069	6,684,782	5,842,792	8,079,780	7,980,343	8,566,990	9,450,688	10,304,598
Special Schools	4,965	5,477								
Capital outlay	10,191,902	1,477,178	644,737	568,150	176,307	449,577	614,489	652,776	687,890	647,096
Debt service:										
Principal	1,360,000	1,465,000	1,505,000	1,530,000	1,590,000	1,796,000	1,375,000	1,490,000	1,520,000	1,505,000
Interest and other charges	1,233,716	1,502,319	1,190,484	1,027,384	961,466	647,879	714,501	568,869	539,069	497,794
Total expenditures	<u>43,394,759</u>	<u>33,960,622</u>	<u>35,065,650</u>	<u>33,384,904</u>	<u>33,497,401</u>	<u>36,377,277</u>	<u>36,838,996</u>	<u>38,343,839</u>	<u>40,243,295</u>	<u>41,058,535</u>
Excess (Deficiency) of revenues over (under) expenditures	(10,213,833)	(662,581)	(2,059,254)	1,014,915	1,052,416	573,861	(171,945)	(242,892)	(675,663)	485
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing	-	-	-	397,780	-	-	4,118,188	-	253,297	-
Deposit to refunding fund	-	-	-	-	-	-	(4,049,075)	-	-	-
Transfers in	198,824	33,724	4,207	109,180	-	-	-	289,241	10,296	-
Transfers out	(198,824)	(33,724)	(4,207)	(9,180)	-	-	-	(200,256)	(10,296)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>497,780</u>	<u>-</u>	<u>-</u>	<u>69,113</u>	<u>88,985</u>	<u>253,297</u>	<u>-</u>
Net change in fund balances	<u>\$ (10,213,833)</u>	<u>\$ (662,581)</u>	<u>\$ (2,059,254)</u>	<u>\$ 1,512,695</u>	<u>\$ 1,052,416</u>	<u>\$ 573,861</u>	<u>\$ (102,832)</u>	<u>\$ (153,907)</u>	<u>\$ (422,366)</u>	<u>\$ 485</u>
Debt service as a percentage of noncapital expenditures	7.81%	9.13%	7.83%	7.79%	7.66%	6.80%	5.77%	5.46%	5.21%	4.96%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Maple Shade School District  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

Exhibit J-5

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Transportation	Prior Year Refunds	Other Refunds	Use of Facilities	Miscellaneous	Total
2008	\$ 151,291	\$ 63,846	\$ 82,300	\$ 114,038	\$ 63,597	\$ 24,000	\$ 8,794	\$ 507,866
2009	59,641	128,594	77,687	57,758	53,745	31,135	4,012	412,572
2010	41,889	133,383	98,336	35,964	36,917	45,245	6,009	397,743
2011	20,098	239,695	56,149	8,277	65,791	46,270	16,141	452,421
2012	20,680	263,233	29,972	19,386	34,389	45,807	2,177	415,644
2013	12,065	373,229	40,249	33,008	76,491	36,421		571,463
2014	6,344	138,126	23,285	38,651	60,750	45,066		312,222
2015	5,129	166,524	58,686	2,390	49,621	47,199	5,787	335,336
2016	4,975	186,118	54,549	43,341	110,273	34,114	8,277	441,647
2017	4,972	186,537	93,107	43,183	48,967	34,375	2,077	413,218
	<u>\$ 327,084</u>	<u>\$ 1,879,285</u>	<u>\$ 614,320</u>	<u>\$ 395,996</u>	<u>\$ 600,541</u>	<u>\$ 389,632</u>	<u>\$ 53,274</u>	<u>\$ 4,260,132</u>

Source: District records

Maple Shade School District  
 Assessed Value and Actual Value of Taxable Property,  
 Last Ten Fiscal Years

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2008	13,583,300	953,529,500	-	-	338,496,900	23,405,000	263,025,000	1,592,039,700	2,145,918	1,594,185,618	116,012,700	\$ 1.329	\$ 1,613,130,131
2009	11,813,100	957,291,700	-	-	336,843,500	23,405,000	261,895,000	1,591,248,300	2,178,723	1,593,427,023	117,355,400	1.330	1,655,760,404
2010	12,158,800	959,357,700	-	-	329,716,900	23,405,000	255,525,000	1,580,163,400	3,781,690	1,583,945,090	117,551,900	1.425	1,693,829,048
2011	12,070,000	959,426,100	-	-	323,266,900	23,405,000	251,425,000	1,569,593,000	2,959,527	1,572,552,527	117,436,400	1.465	1,654,349,835
2012	11,751,500	958,463,650	-	-	318,482,100	19,755,000	243,350,000	1,551,802,250	2,896,756	1,554,699,006	117,423,900	1.505	1,603,729,953
2013	10,623,150	951,085,470	-	-	308,792,100	19,710,000	236,400,000	1,526,610,720	4,158,119	1,530,768,839	118,038,600	1.532	1,484,738,741
2014	R 12,028,300	739,876,800	-	-	279,490,800	18,294,600	242,962,000	1,292,652,500	4,003,900	1,296,656,400	139,116,200	1.870	1,534,967,517
2015	12,450,700	740,620,500	-	-	276,170,400	18,426,200	242,962,000	1,290,629,800	3,744,232	1,294,374,032	139,425,500	1.932	1,431,769,335
2016	13,444,200	743,120,700	-	-	266,723,900	18,426,200	241,063,800	1,282,778,800	3,721,232	1,286,500,032	141,295,600	2.018	1,415,073,933
2017	12,167,550	743,825,230	-	-	264,341,800	18,731,200	237,088,100	1,276,153,880	4,056,754	1,280,210,634	141,546,210	2.076	1,321,955,821

Source: Municipal Tax Assessor

Note:

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation.

- a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies.
- b Tax rates are per \$100.
- c Information not available.

**Maple Shade School District  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

**Exhibit J-7**

Fiscal Year Ended June 30,	Maple Shade School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Maple Shade	Burlington County	
2008	\$ 1.229	\$ 0.100	\$ 1.329	\$ 0.502	\$ 0.394	\$ 2.225
2009	1.194	0.136	1.330	0.533	0.396	2.259
2010	1.287	0.138	1.425	0.567	0.402	2.394
2011	1.324	0.141	1.465	0.618	0.398	2.481
2012	1.367	0.138	1.505	0.659	0.388	2.552
2013	1.415	0.117	1.532	0.691	0.360	2.583
2014	<b>R</b> 1.732	0.138	1.870	0.840	0.441	3.151
2015	1.792	0.140	1.932	0.861	0.457	3.250
2016	1.879	0.139	2.018	0.861	0.443	3.322
2017	1.937	0.139	2.076	0.881	0.415	3.372

**Source: Municipal Tax Collector**

**a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

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

**R** Revaluation.

**Maple Shade School District  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

**Exhibit J-8**

Taxpayer	2017		Taxpayer	2008	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Deerfield Association	\$ 88,361,200	6.90%	Deerfield Associates	\$ 105,000,000	12.76%
Maplewood Apartments, LLC	56,232,300	4.39%	Maple Shade Apartments	45,116,500	5.48%
Roberts Mill Apartments	29,141,700	2.28%	Village of Stoney Run	30,000,000	3.65%
Village of Stoney Run, NJ LLC	24,500,000	1.91%	Roberts Mill Apartments	28,000,000	3.40%
Holman Enterprises	19,614,000	1.53%	Holman Enterprises	22,556,100	2.74%
Blue Saber Properties	16,250,000	1.27%	Blue Saber Properties	22,000,000	2.67%
Davis Enterprises	14,944,200	1.17%	Davis Enterprises	21,311,000	2.59%
Pickwick Apartments, LLC	14,830,400	1.16%	Maple Shade Apts. Assoc.	18,000,000	2.19%
AFADJ LLC	9,713,400	0.76%	Pickwick Village, LP	16,000,000	1.94%
Americo Real Estate Co.	9,200,000	0.72%	Public Storage	12,300,000	1.49%
<b>Total</b>	<b>\$ 282,787,200</b>	<b>22.09%</b>		<b>\$ 320,283,600</b>	<b>38.91%</b>

**Source:** Municipal Tax Assessor

Pickwick Apartments, LLC  
Davis Enterprises  
Sin Ventures Maple Shade LLC  
Americo Real Estate Co.



**Maple Shade School District  
Property Tax Levies and Collections,  
Last Ten Fiscal Years**

**Exhibit J-9**

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2008	\$ 20,431,346	\$ 20,431,346	100.00%	-
2009	21,182,343	21,182,343	100.00%	-
2010	21,182,343	21,182,343	100.00%	-
2011	22,572,782	22,572,782	100.00%	-
2012	23,040,236	23,040,236	100.00%	-
2013	23,390,995	23,390,995	100.00%	-
2014	23,452,512	23,452,512	100.00%	-
2015	24,250,040	24,250,040	100.00%	-
2016	25,014,219	25,014,219	100.00%	-
2017	25,968,571	25,968,571	100.00%	-

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

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

Maple Shade School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income <sup>a</sup>	Per Capita <sup>b</sup>
	General Obligation Bonds	Unfunded Pension Liability	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2008	\$ 27,158,000	\$ -	\$ 90,000	\$ -	\$ -	\$ 27,248,000	2.98%	1,423
2009	25,693,000	-	78,089	-	-	25,771,089	2.82%	1,345
2010	24,188,000	-	61,389	-	-	24,249,389	2.64%	1,267
2011	22,658,000	-	357,188	-	-	23,015,188	2.41%	1,203
2012	22,266,000	-	263,504	-	-	22,529,504	2.29%	1,178
2013	20,470,000	-	166,481	-	-	20,636,481	2.09%	1,084
2014	18,985,000	-	120,923	-	-	19,105,923	1.87%	1,004
2015	17,495,000	-	90,262	-	-	17,585,262	1.68%	927
2016	15,975,000	-	254,249	-	-	16,229,249	c	861
2017	14,470,000	-	188,085	-	-	14,658,085	c	c

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

a Based on Per Capita Income for Burlington County.

b Based on School District Population as of July 1

c Not available.

Maple Shade School District  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Exhibit J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2008	\$ 27,158,000	\$ -	\$ 27,158,000	1.70%	1,418
2009	25,693,000	-	25,693,000	1.61%	1,341
2010	24,188,000	-	24,188,000	1.53%	1,263
2011	22,658,000	-	22,658,000	1.44%	1,184
2012	22,266,000	-	22,266,000	1.43%	1,164
2013	20,470,000	-	20,470,000	1.34%	1,075
2014	18,985,000	-	18,985,000	1.46%	998
2015	17,495,000	-	17,495,000	1.35%	923
2016	15,975,000	-	15,975,000	1.23%	848
2017	14,470,000	-	14,470,000	0.00%	<b>c</b>

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.  
**a** See Exhibit J-6 for property tax data.  
**b** Population data can be found in Exhibit J-14.  
**c** Information not available.

Maple Shade School District  
Ratios of Overlapping Governmental Activities Debt  
As of December 31, 2016

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Maple Shade	\$ 22,988,090	100.000%	\$ 24,484,295
Burlington County General Obligation Debt	314,942,094	3.041%	9,577,389
Subtotal, overlapping debt			34,061,684
<b>Maple Shade Township School District Direct Debt</b>			<b>15,975,000</b>
<b>Total direct and overlapping debt</b>			<b>\$ 50,036,684</b>

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

Debt outstanding data provided by each governmental unit.

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

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

Maple Shade School District  
 Legal Debt Margin Information,  
 Last Ten Fiscal Years  
 (dollars in thousands)

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2016

	Equalized valuation basis	
	2014	1,425,981,798
	2015	1,416,095,896
	2016	1,320,954,382
	<b>[A]</b>	<u>\$ 4,163,032,076</u>
Average equalized valuation of taxable property	<b>[A/3]</b>	\$ 1,387,677,359
Debt limit (4% of average equalized valuation)	<b>[B]</b>	55,507,094 <sup>a</sup>
Net bonded school debt	<b>[C]</b>	14,470,000
Legal debt margin	<b>[B-C]</b>	<u>\$ 41,037,094</u>

Fiscal Year

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 58,502,941	\$ 63,462,435	\$ 66,139,907	\$ 66,843,262	\$ 66,244,202	\$ 63,627,308	\$ 61,930,399	\$ 54,419,365	\$ 58,296,103	\$ 55,507,094
Total net debt applicable to limit	<u>27,158,000</u>	<u>25,693,000</u>	<u>24,188,000</u>	<u>22,658,000</u>	<u>22,266,000</u>	<u>20,470,000</u>	<u>18,985,000</u>	<u>17,495,000</u>	<u>15,975,000</u>	<u>14,470,000</u>
Legal debt margin	<u>\$ 31,344,941</u>	<u>\$ 37,769,435</u>	<u>\$ 41,951,907</u>	<u>\$ 44,185,262</u>	<u>\$ 43,978,202</u>	<u>\$ 43,157,308</u>	<u>\$ 42,945,399</u>	<u>\$ 36,924,365</u>	<u>\$ 42,321,103</u>	<u>\$ 41,037,094</u>
Total net debt applicable to the limit as a percentage of debt limit	46.42%	40.49%	36.57%	33.90%	33.61%	32.17%	30.66%	32.15%	27.40%	26.07%

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

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

Maple Shade School District  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

Exhibit J-14

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2008	19,154	\$ 915,867,664	\$ 47,816	4.8%
2009	19,165	913,193,085	47,649	8.3%
2010	19,145	919,859,815	48,047	8.8%
2011	19,129	955,589,195	49,955	8.6%
2012	19,124	982,782,360	51,390	8.9%
2013	19,045	986,245,325	51,785	7.4%
2014	19,026	1,022,590,422	53,747	6.6%
2015	18,963	1,047,269,601	55,227	5.1%
2016	18,849	e	e	4.4%
2017	e	e	e	e

**Source:**

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income for Maple Shade Township.
- c Per Capita for Burlington County.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- e Not available.

Maple Shade School District  
 Full-time Equivalent District Employees by Function/Program,  
 Last Ten Fiscal Years

Exhibit J-16

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Instruction										
Regular	126	114	175	117	126	123	129	131	128	130
Special education	44	40	39	74	83	83	107	108	97	100
Other special education	7	7								
Vocational										
Other instruction	1	1		7	4	4	4	4	4	4
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	78	71	37	29	31	31	37	38	39	39
School administrative services	12	12	9	14	17	17	18	18	16	16
General and business administrative services	2	12	3	2	6	6	6	6	6	10
Plant operations and maintenance	24	30	45	34	35	35	37	37	37	39
Pupil transportation	15	25	25	13	14	14	20	21	17	19
Business and other support services	16	16	5	5	5	5	-	-		
Special Schools	15	15					11	12	9	9
Food Service	5	5					16	20	14	19
Total	<u>345</u>	<u>348</u>	<u>338</u>	<u>295</u>	<u>321</u>	<u>318</u>	<u>385</u>	<u>395</u>	<u>367</u>	<u>385</u>

Source: District Personnel Records

Maple Shade School District  
 Operating Statistics,  
 Last Ten Fiscal Years

Exhibit J-17

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Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Junior/Senior High School				
2007	2,083	\$ 30,319,109	\$ 14,556	11.72%	170	1:10.8	1:13.4	2,082.0	1,935.0	-3.03%	92.94%
2008	2,002	30,609,141	15,289	5.04%	178	1:10.8	1:13.4	2,026.0	1,892.0	-2.69%	93.39%
2009	2,017	29,516,125	14,634	-4.28%	162	1:10.8	1:13.4	2,008.0	1,894.3	-0.88%	94.34%
2010	2,070	31,725,429	15,326	4.73%	214	1:13.9	1:14.4	2,076.0	1,962.0	3.39%	94.51%
2011	2,134	30,259,370	14,180	-7.47%	198	1:12.8	1:12.7	2,132.6	2,024.9	2.73%	94.95%
2012	2,143	30,769,628	14,358	1.25%	213	1:12.8	1:13.5	2,154.5	2,088.6	1.03%	96.94%
2013	2,112	33,483,821	15,854	10.42%	210	1:12.8	1:13.5	2,084.5	1,978.0	3.25%	94.89%
2014	2,169	34,135,006	15,738	0.73%	240	1:12.8	1:13.5	2,181.3	2,077.9	4.64%	95.26%
2015	2,230	35,632,194	15,979	1.50%	243	1:12.8	1:13.5	2,232.5	2,120.8	7.44%	95.00%
2016	2,179	37,496,336	17,208	7.69%	229	1:12.8	1:13.5	2,184.7	2,063.6	-2.14%	94.46%
2017	2,156	38,408,645	17,815	0.00%	234	1:12.8	1:13.5	2,162.7	2,050.1	-6.54%	94.79%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).



Maple Shade School District  
 School Building Information  
 Last Ten Fiscal Years

Exhibit J-18

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>District Building</b>										
<b>Elementary</b>										
Howard R. Yocum School (1959)										
Square Feet	70,811	70,811	70,811	70,811	70,811	70,811	70,811	70,811	70,811	70,811
Capacity (students)	376	464	464	464	464	464	464	464	464	464
Enrollment	515	519	542	566	571	564	604	625	569	547
Maude M. Wilkins Elementary (1926)										
Square Feet	65,029	65,029	65,029	65,029	65,029	65,029	65,029	65,029	65,029	65,029
Capacity (students)	576	576	576	576	576	576	576	576	576	576
Enrollment	296	314	337	348	355	354	411	403	416	428
Ralph J. Steinhauer School (1953)										
Square Feet	71,711	71,711	71,711	71,711	71,711	71,711	71,711	71,711	71,711	71,711
Capacity (students)	547	547	547	547	547	547	547	547	547	547
Enrollment	313	288	304	317	312	299	303	322	342	330
Maple Shade High School (1972)										
Square Feet	168,516	168,516	168,516	168,516	168,516	168,516	168,516	168,516	168,516	168,516
Capacity (students)	1,590	1,590	1,590	1,590	1,590	1,590	1,590	1,590	1,590	1,590
Enrollment	878	887	893	901	916	868	863	880	857	857
Number of Schools at June 30, 2017										
Elementary = 3										
Middle School = 0										
High School = 1										

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

Maple Shade School District  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years

Exhibit J-19

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

* School Facilities	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Maple Shade School District											
High School	\$ 343,623	\$ 271,869	\$ 192,054	\$ 296,414	\$ 374,142	\$ 332,952	\$ 369,908	\$ 378,847	\$ 400,556	\$ 475,634	\$ 3,435,999
Steinhauer School	146,237	115,726	140,093	114,372	144,363	128,483	142,744	146,193	154,555	183,524	1,416,290
Maude M. Wilkins School	132,587	104,924	135,974	124,558	157,221	139,907	155,436	159,192	168,321	199,870	1,477,990
Howard R. Yokum School	144,398	114,332	145,818	126,147	159,226	141,685	157,412	161,215	170,466	202,417	1,523,116
Total School Facilities	<u>\$ 766,845</u>	<u>\$ 606,851</u>	<u>\$ 613,939</u>	<u>\$ 661,491</u>	<u>\$ 834,952</u>	<u>\$ 743,027</u>	<u>\$ 825,500</u>	<u>\$ 845,447</u>	<u>\$ 893,898</u>	<u>\$ 1,061,445</u>	<u>\$ 7,853,395</u>

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\* 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

Maple Shade School District  
 Insurance Schedule  
 June 30, 2017

Exhibit J-20

	<u>Coverage</u>
Commercial Package Policy (1)	
Property	\$ 78,530,347
Liability General and Auto	5,000,000
Aggregate Excess Liability	10,000,000
Money and Securities	50,000
Crime Coverage - Employee Dishonesty	500,000
Umbrella	10,000,000
Pollution Liability	1,000,000
School Board Legal Liability (1)	5,000,000
Workers Compensation (1)	Statutory
Student Athletic Accident Policy (2)	1,000,000
Surety Bonds	
Treasurer (3)	275,000
Board Secretary (4)	110,000

- (1) School Alliance Insurance Fund
- (2) Monumental Life Insurance Company
- (3) Ohio Casualty
- (4) Selective Insurance

Source: District records

**Single Audit Section**

***INVERSO & STEWART, LLC***  
 Certified Public Accountants

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 New Jersey Society of CPAs

**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  
 Maple Shade School District  
 County of Burlington  
 Maple Shade, New Jersey

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

I have audited Maple Shade School District's (School District), in the County of Burlington, 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, 2017. 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**

My responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I 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 I considered necessary in the circumstances.

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

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

In my opinion, the Maple Shade School District, in the County of Burlington, 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, 2017.

**Report on Internal Control Over Compliance**

Management of the Maple Shade School District, in the County of Burlington, 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 my audit of compliance, I considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and 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, I do not express an opinion on the effectiveness of the Maple Shade School District's internal control over compliance.

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

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my 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.

**INVERSO & STEWART, LLC**  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
October 12, 2017

MAPLE SHADE SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2017

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2016			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	June 30, 2017		
						Accounts Receivable	Unearned Revenue	Due to Grantor at						Accounts Receivable	Unearned Revenue	Due to Grantor at
<b>U.S. Department of Education</b>																
<b>General Fund:</b>																
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	\$ 123,754	7/1/16 - 6/30/17	\$ -	\$ -	\$ -	\$ -	\$ 123,754	\$ (123,754)	\$ -	\$ -	\$ -	\$ -	
Medical Assistance Program (SEMI)	93.778	1605NJ5MAP	N/A	76,290	7/1/15 - 6/30/16	(6,835)				6,835						
<b>Total General Fund</b>						<b>(6,835)</b>				<b>130,589</b>	<b>(123,754)</b>					
<b>Special Revenue Fund:</b>																
<b>No Child Left Behind(N.C.L.B.)</b>																
Title I - Current Year	84.010A	S010A160030	NCLB-3010-17	545,935	7/1/16 - 6/30/17					266,346	(525,007)			(258,661)		
Title I - Prior Year	84.010A	S010A150030	NCLB-3010-16	552,654	7/1/15 - 6/30/16	(224,293)				224,293				-		
Title II - Part A - Current Year	84.367A	S367A160029	NCLB-3010-17	39,490	7/1/16 - 6/30/17					19,411	(39,478)			(20,067)		
Title II - Part A - Prior Year	84.367A	S367A150029	NCLB-3010-16	43,494	7/1/15 - 6/30/16	(19,129)				19,129				-		
Title III - Current Year	84.365A	S365A160030	NCLB-3010-17	15,708	7/1/16 - 6/30/17					7,901	(15,466)			(7,565)		
Title III - Prior Year	84.365A	S365A150030	NCLB-3010-16	15,543	7/1/15 - 6/30/16	(6,864)				6,864				-		
Title III - Immigrant - CY	84.365A	S365A160030	NCLB-3010-17	6,522	7/1/16 - 6/30/17					3,810	(4,953)			(1,143)		
Title III - Immigrant - PY	84.365A	S365A150030	NCLB-3010-16	12,902	7/1/15 - 6/30/16	(3,839)				3,839				-		
<b>Individuals With Disabilities Act (I.D.E.A.)</b>																
Part B - Basic - Current Year	84.027	H027A160100	IDEA-3010-17	613,626	7/1/16 - 6/30/17					355,387	(600,991)			(245,604)		
Part B - Basic - Prior Year	84.027	H027A150100	IDEA-3010-16	667,949	7/1/15 - 6/30/16	(173,652)				173,652				-		
Part B - Preschool - Current Year	84.173	H173A160114	IDEA-3010-17	17,932	7/1/16 - 6/30/17					17,932	(17,932)			-		
Part B - Preschool - Current Year	84.173	H173A150114	IDEA-3010-16	18,154	7/1/15 - 6/30/16	(5,334)				5,334				-		
<b>Total Special Revenue Fund</b>						<b>(433,111)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,103,898</b>	<b>(1,203,827)</b>	<b>-</b>	<b>-</b>	<b>(533,040)</b>		
<b>U.S. Department of Agriculture</b>																
<b>Enterprise Fund:</b>																
Food Distribution Program	10.565	171NJ304N1099	N/A	83,276	7/1/16 - 6/30/17					83,276	(83,276)			-		
National School Lunch Program	10.555	171NJ304N1099	N/A	411,428	7/1/16 - 6/30/17					394,342	(411,429)			(17,087)		
National School Lunch Program	10.555	16161NJ304N1099	N/A	403,049	7/1/15 - 6/30/16	(18,039)				18,039				-		
National School Breakfast Program	10.553	171NJ304N1099	N/A	142,216	7/1/16 - 6/30/17					133,484	(142,216)			(8,732)		
National School Breakfast Program	10.553	16161NJ304N1099	N/A	141,796	7/1/15 - 6/30/16	(8,513)				8,513				-		
<b>Total Enterprise Fund</b>						<b>(26,552)</b>				<b>637,654</b>	<b>(636,921)</b>	<b>-</b>	<b>-</b>	<b>(25,819)</b>		
<b>Total Federal Awards</b>						<b>\$ (466,498)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,872,141</b>	<b>\$(1,964,502)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$(558,859)</b>		

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

MAPLE SHADE SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2017

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2016			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Canceled	June 30, 2017		
				Accounts Receivable	Unearned Revenue	Due to Grantor at					Accounts Receivable	Unearned Revenue	Due to Grantor at
<b>State Department of Education</b>													
<u>General Fund:</u>													
Equalization Aid	17-495-034-5120-078	\$ 7,123,933	7/1/16 - 6/30/17	\$ -	\$ -	\$ -	\$ 6,481,387	\$ (7,123,933)	\$ -	\$ -	\$ (642,546)	\$ -	\$ -
Equalization Aid	16-495-034-5120-078	7,118,742	7/1/15 - 6/30/16	(647,114)			647,114						
Special Education Categorical Aid	17-495-034-5120-089	1,222,775	7/1/16 - 6/30/17				1,112,486	(1,222,775)			(110,289)		
Special Education Categorical Aid	16-495-034-5120-089	1,199,589	7/1/15 - 6/30/16	(109,046)			109,046						
Extraordinary Aid	17-495-034-5120-044	205,150	7/1/16 - 6/30/17					(205,150)			(205,150)		
Extraordinary Aid	16-495-034-5120-044	128,228	7/1/15 - 6/30/16	(128,228)			128,228						
Transportation Aid	17-495-034-5120-014	85,205	7/1/16 - 6/30/17				77,520	(85,205)			(7,685)		
Transportation Aid	16-495-034-5120-014	69,068	7/1/15 - 6/30/16	(6,278)			6,278						
Security Aid	17-495-034-5120-084	124,422	7/1/16 - 6/30/17				113,200	(124,422)			(11,222)		
Security Aid	16-495-034-5120-084	106,471	7/1/15 - 6/30/16	(9,679)			9,679						
Under Adequacy Aid	17-495-034-5120-096	27,454	7/1/16 - 6/30/17				24,978	(27,454)			(2,476)		
Under Adequacy Aid	16-495-034-5120-096	27,454	7/1/15 - 6/30/16	(2,496)			2,496						
PARCC Readiness Aid	17-495-034-5120-098	22,080	7/1/16 - 6/30/17				20,088	(22,080)			(1,992)		
PARCC Readiness Aid	16-495-034-5120-098	22,080	7/1/15 - 6/30/16	(2,007)			2,007						
Per Pupil Growth Aid	17-495-034-5120-097	22,080	7/1/16 - 6/30/17				20,088	(22,080)			(1,992)		
Per Pupil Growth Aid	16-495-034-5120-097	22,080	7/1/15 - 6/30/16	(2,007)			2,007						
Professional Learning Community Aid	17-495-034-5120-101	22,330	7/1/16 - 6/30/17				20,316	(22,330)			(2,014)		
Reimbursement of Nonpublic Transportation	17-495-034-5120-014	12,354	7/1/16 - 6/30/17					(12,354)			(12,354)		
Reimbursement of Nonpublic Transportation	16-495-034-5120-014	10,440	7/1/15 - 6/30/16	(10,440)			10,440						
On Behalf TPAF - Pension Contribution	17-495-034-5094-002	1,658,534	7/1/16 - 6/30/17				1,658,534	(1,658,534)					
On Behalf TPAF Post Retirement Medical	17-495-034-5094-001	1,381,937	7/1/16 - 6/30/17				1,381,937	(1,381,937)					
On Behalf TPAF Long Term Disability Insurance	17-495-034-5094-004	4,007	7/1/16 - 6/30/17				4,007	(4,007)					
Reimbursed TPAF Social Security Contributions	17-495-034-5094-003	1,119,409	7/1/16 - 6/30/17				1,062,587	(1,119,409)			(56,822)		
Reimbursed TPAF Social Security Contributions	16-495-034-5094-003	1,077,835	7/1/15 - 6/30/16	(50,724)			50,724						
<b>Total General Fund</b>				<b>(968,019)</b>			<b>12,945,147</b>	<b>(13,031,670)</b>	<b>---</b>	<b>---</b>	<b>(1,054,542)</b>	<b>---</b>	<b>---</b>
<u>Special Revenue Fund</u>													
<u>N.J. Nonpublic Aid:</u>													
Textbook Aid	17-100-034-5120-064	11,125	7/1/16 - 6/30/17				11,125	(2,340)					8,785
Textbook Aid	16-100-034-5120-064	10,392	7/1/15 - 6/30/16							366			
Nursing Aid	17-100-034-5120-070	17,550	7/1/16 - 6/30/17				17,550	(17,550)					
Technology	17-100-034-5120-373	5,018	7/1/16 - 6/30/17				5,018	(5,018)					
Security	17-100-034-5120-509	9,750	7/1/16 - 6/30/17				9,750	(9,750)					
Security	16-100-034-5120-509	4,625	7/1/15 - 6/30/16							2,135			
<u>Auxiliary Services:</u>													
Compensatory Education	17-100-034-5120-067	45,686	7/1/16 - 6/30/17				45,686	(36,638)					9,048
Compensatory Education	16-100-034-5120-067	30,119	7/1/15 - 6/30/16				2			2			
E.S.L.	17-100-034-5120-067	1,827	7/1/16 - 6/30/17				1,827						1,827
E.S.L.	16-100-034-5120-067	863	7/1/15 - 6/30/16							518			
<u>Handicapped Services:</u>													
Examination & Classification	17-100-034-5120-066	11,892	7/1/16 - 6/30/17				11,892	(11,169)					723
Examination & Classification	16-100-034-5120-066	9,377	7/1/15 - 6/30/16							341			
Corrective Speech	17-100-034-5120-066	21,558	7/1/16 - 6/30/17				21,558	(11,662)					9,896
Corrective Speech	16-100-034-5120-066	19,898	7/1/15 - 6/30/16							333			
Supplemental Instruction	16-100-034-5120-066	9,416	7/1/16 - 6/30/17				9,416	(4,552)					4,864
Supplemental Instruction	16-100-034-5120-066	8,911	7/1/15 - 6/30/16							1,188			
<b>Total Special Revenue Fund</b>							<b>4,883</b>	<b>133,822</b>	<b>(98,679)</b>	<b>4,883</b>			<b>35,143</b>

(Continued)



MAPLE SHADE SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2017

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2016			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Canceled	June 30, 2017			
				Accounts Receivable	Unearned Revenue	Due to Grantor at					Accounts Receivable	Unearned Revenue	Due to Grantor at	
<b>Debt Service Fund</b>														
Debt Service Aid Type II	17-495-034-5120-017	220,890	7/1/16 - 6/30/17	\$ -	\$ -	\$ -	\$ 220,890	\$ (220,890)	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>State Department of Agriculture</b>														
Enterprise Fund:														
State School Lunch Program	17-100-010-3350-023	9,534	9/1/16- 6/30/17				9,142	(9,534)				(392)		
State School Lunch Program	16-100-010-3350-023	9,564	9/1/15- 6/30/16	(431)			431							
Total Enterprise Fund				(431)			9,573	(9,534)	---	---		(392)	---	
Total State Financial Assistance				\$ (968,450)	\$ -	\$ 4,883	\$ 13,309,432	\$ (13,360,773)	\$ 4,883	\$ -	\$ (1,054,934)	\$ -	\$ 35,143	
Less: State Financial Expenditures Not Subject to Major Program Determination														
On-Behalf TPAF Contribution - Pension (Non-Budgeted)								(1,658,534)						
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)								(1,381,937)						
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)								(4,007)						
Total State Financial Expenditures Subject to Major Program Determination								\$ (10,320,302)						

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

**Maple Shade School District**  
**Notes to Schedules of Expenditures**  
**of Federal Awards and State Financial Assistance**  
**For the Fiscal Year Ended June 30, 2017**

**1. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Maple Shade School District ("School District"). The School District is defined in Note 1 to the School District's basic financial statements. 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 of expenditures of federal awards and state financial assistance.

**2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when the 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 of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$1,589) in the general fund and \$-0- in the special revenue 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.

**Maple Shade School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2017  
(Continued)**

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
<b>General</b>	\$ 123,754	\$ 13,030,081	\$ 13,153,835
<b>Special Revenue</b>	1,203,827	98,679	1,302,506
<b>Debt Service</b>		220,890	220,890
<b>Food Service</b>	636,921	9,534	646,455
<b>Total</b>	<u>\$ 1,964,502</u>	<u>\$ 13,359,184</u>	<u>\$ 15,323,686</u>

**4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**5. REIMBURSED AND ON-BEHLF PAYMENTS**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution, respectively. TPAF Pension Contributions represents the amount paid by the State on behalf of the School District for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

**6. MAJOR PROGRAMS**

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

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weaknesses identified?            yes   X   no
- 2) Significant deficiencies identified?            yes   X   none reported

Noncompliance material to basic financial statements noted?   X   yes            no

**Federal Awards**

Internal Control over major programs:

- 1) Material weakness(es) identified?            yes   X   no
- 2) Significant deficiencies identified?            yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ( Uniform Guidance)?            yes   X   no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>171NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>171NJ304N1099</u>	<u>School Breakfast Program</u>
<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>

Dollar threshold used to distinguish between type A and type B programs:           \$750,000          

Auditee qualified as low-risk auditee?   X   yes            no

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

**State Awards Section**

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   yes            no

Internal Control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weakness?            yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable?            yes   X   no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>17-495-034-5120-078</u>	<b>State Aid Public Cluster:</b> <u>Equalization Aid</u>
<u>17-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>17-495-034-5120-084</u>	<u>Security Aid</u>
<u>17-495-034-5120-096</u>	<u>Under Adequacy Aid</u>
<u>17-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>17-495-034-5120-098</u>	<u>PARCC Readiness</u>
<u>17-495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>17-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>17-100-010-3350-023</u>	<u>State School Lunch Program</u>

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**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 #2017-001**

**Criteria or specific requirement:**

The District is responsible for the reconciliation of its payroll agency account. Part of the reconciliation process is the preparation of an analysis of the balance detailing the amount of the withholdings payable to the various payroll agencies.

**Condition:**

The district did not maintain a proper payroll agency analysis as part of its payroll agency account reconciliation process. During my review, I was informed by the District that the payroll supervisor inappropriately obtained health benefits for a non-qualifying dependent and received a pension loan without appropriate deductions being withheld from their pay.

**Context:**

Inappropriate payments were made from the payroll agency account.

**Effect:**

Unable to determine proper balances due to outside agencies.

**Cause:**

Oversight.

**Recommendation:**

That the payroll agency account be properly analyzed on a monthly basis.

**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.

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Section 3 -- Schedule of Federal Awards and 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 federal and state 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) and New Jersey Circular 15-08-OMB.

**FEDERAL AWARDS:**

No findings and/or questioned costs identified.

**STATE AWARDS:**

No findings and/or questioned costs identified.

**MAPLE SHADE TOWNSHIP 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 and state awards that are required to be reported in accordance with Chapter 6.12 of *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 New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year audit findings

**FEDERAL AWARDS**

There were no prior year audit findings.

**STATE AWARDS**

There were no prior year audit findings.