

**SCHOOL DISTRICT  
OF**

**BURLINGTON  
TOWNSHIP**

**Burlington Township Board of Education  
Burlington, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2018**

**Comprehensive Annual  
Financial Report**

**of the**

**Burlington Township Board of Education**

**Burlington, New Jersey**

**For the Fiscal Year Ended June 30, 2018**

**Prepared by  
Burlington Township Board of Education  
Finance Department**

# BURLINGTON TOWNSHIP SCHOOL DISTRICT

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## **Introductory Section**

## BURLINGTON TOWNSHIP SCHOOLS

P.O. Box 428 - Hopkins Building, Burlington, NJ 08016, 609-387-3955

[www.burltwpsch.org](http://www.burltwpsch.org)

Mary Ann Bell, *Superintendent of Schools*  
[mbell@burltwpsch.org](mailto:mbell@burltwpsch.org)

Nicholas Bice, *School Business Administrator*  
[nbice@burltwpsch.org](mailto:nbice@burltwpsch.org)

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January 31, 2019

Honorable President and  
Members of the Board of Education  
Burlington Township School District  
Burlington, New Jersey 08016

Dear Board Members:

The comprehensive annual financial report of the Burlington Township School District for the fiscal year ended June 30, 2018, is hereby submitted. Responsibility for the accuracy of the data, completeness and fairness of the presentation, including all disclosures, rests with the management of the Burlington Township Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups 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 has been prepared in accordance with Governmental Accounting Standards Board Statement 34 and 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 Title 2, U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance); and the State of New Jersey Circular OMB15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** Burlington Township School District 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. Burlington Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through grade 12. These include regular and vocational, as well as special education for disabled students between the ages of 3 and 21 years old. The District completed the 2017-2018 fiscal year with an enrollment of 3,819 students, which is substantially unchanged from the previous year's enrollment. The district's highest enrollment was recorded in 2006-2007 at 4,182 students. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Average Student Enrollment	Percent Change
2008-2009	4,169	-0.24
2009-2010	4,055	-2.73
2010-2011	4,104	1.21
2011-2012	4,061	-1.05
2012-2013	4,021	-0.98
2013-2014	4,043	0.55
2014-2015	3,994	-1.21
2015-2016	3,931	-1.58
2016-2017	3,869	-1.58
2017-2018	3,819	-1.29

- 2) **ECONOMIC CONDITION AND OUTLOOK:** The Burlington Township area had experienced a period of rapid development and expansion during the early 2000's which has since stabilized. The number of families sharing housing in the community has presented challenges to understanding the needs of students prior to enrollment and has resulted in an increase for educational services. Due to the economy during the last several years, the Free and Reduced Lunch numbers increased dramatically from prior levels. During this time, the district has also seen an increase in homeless counts, temporary residency affidavits, DCP&P placements and guardianship affidavit cases.

3) **MAJOR INITIATIVES**

**STRATEGIC PLANNING AND GOAL SETTING:** The Burlington Township School District engages in a yearly goal setting process that is driven by a long-range strategic plan. The Mission of the District is *to develop the intellectual, creative, and social potential of each child through an active partnership with all members of the community.* The District has established four broad goals focused on ***improving teaching and learning, fostering a safe and secure climate, engaging the community in meaningful ways, and promoting efficiency and quality through effective management and operations.*** During 2017-2018, the District focused on objectives within these goal areas. This focus was presented as the "All Students Achieving Plan" and updates were provided in public at the January and June Board of Education Meetings.

**STUDENT ACADEMIC PROGRESS:** Student academic progress is measured, in part, by standardized assessments. These assessments include PARCC, the State Science Assessment (formerly NJASK Science), and SAT. The district historically outperforms the state in State Science Assessment in grades 4 and 8 by considerable amounts. Burlington Township has been recognized for the last three consecutive years for increased scores and numbers of Advanced Placement Exams. For June 2018, over 99% of Burlington Township students have met the State testing standards or alternative portfolio completion as required for graduation. Additionally, Burlington Township High School requires four years of study in all four core content areas, which exceeds state graduation requirement. The Burlington Township attendance rate is over 95% and the dropout rate less than 1%. Ninety-five percent of Burlington Township students continue their education after high school at four-year colleges and universities, community colleges, and technical schools.

**SUMMARY OF SPECIFIC INITIATIVES:** The Center for Education has worked on aligning the district's curricula to the New Jersey Student Learning Standards. The district has successfully administered on-line testing. The district utilizes various online adaptive assessment software for both math and language arts benchmarking to further understand the needs of our students. A multi-year focus has been refining the district's special education settings to ensure students are educated in the least restrictive environment as developmentally appropriate.

**REFERENDUM DECEMBER 2015:** A referendum was approved by voters in December 2015 to refurbish needed specific facilities in each school. The timing took into consideration the expiration of debt currently outstanding. Several of the projects are complete. Additional projects will continue to be undertaken until all projects identified are complete.

**SCHOOL SAFETY AND SECURITY:** School safety and security continues to be an important topic in education. From 2009-2014 the district has engaged in a five-year safety and security project entitled *Project Guardian*. The district has engaged in a continuous safety and security process review team entitled *Team Guardian*. The district's significant and innovative efforts have been acknowledged in the state's task force report and mentioned by name in said report. Efforts continue in this area. The district engages in Emergency Preparedness Task Force meetings with various first responder agencies and other connected agencies. Safety remains our top priority.

**SUMMARY OF INFORMATION SOURCES:** The district commissioned a full demographic study in 2012, 2015, and 2018 for the purpose of understanding the potential future enrollments. The district continues to seek information that allows for the development of future plans based on relevant data.

**SIGNIFICANT ADMINISTRATIVE CHANGES:** The district restructured the administrative positions beginning in 2015-2016 school year. Significant changes included establishment of a Director of Human Resources and Community Relations, a certificated position with support to ensure the district was properly servicing our employees as well as ensuring compliance in this area. Recruitment, retention and training are key components of this department's focus. During the 2015-2016 school year, the district moved to improving instruction by transferring seasoned building administrators into content specific supervisor roles. This has allowed the district to ensure a focus on instruction while allowing building administrators to focus on daily matters, providing a balanced approach and support for teaching staff members. During the 2016-2017 school year, the district appointed an Assistant Superintendent of Special Education demonstrating the importance of this area and the significant resources under this position's control and authority. During the 2017-2018 school year, a District Supervisor acting as Homeless Liaison was created to ensure compliance with the many new requirements under the McKinney-Vento Act. Also during the 2017-2018 school year, a district supervisor of data was created and filled with an experienced building administrator. This position focuses on use of data to inform instruction and provides support to teachers district wide.

- 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 as well as to determine that the District has complied with applicable laws and regulations. The district fiscal management team reviews the standard operating procedures on an annual basis and alters the SOPs as needed to continue to ensure the fiscal responsibility is well managed.

- 5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Capital budgets are approved for capital improvements and are accounted for in the capital project fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are reported as reservations of fund balance at June 30, 2018.

- 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," Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the ACT.

- 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, student accident, and fidelity bonds.

- 8) **FISCAL AND OPERATIONAL EFFICIENCY:** The Burlington Township Board of Education is considered efficient in all areas reviewed by the Department of Education during the mid-year budget review. This efficiency was borne from need resulting from periods of large enrollment growth and stagnant state aid during the late 1990's and 2000's. This efficiency has required the district to utilize such strategies as outsourcing almost all operational department personnel including facilities, food service, technology and transportation. The district has also outsourced in-class non-instructional support personnel. The 2% cap on property tax increases continues to be a challenge for the district. Lack of adequate state funding has been challenge for the district for many years; however, in the 2017-2018 school year, state funding was finally restored to the level the district received in the 2009-2010 school year. Additionally, the district anticipates additional increases in state funding for the 2018-2019 school year.

- 9) **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. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal

Regulations, cost principles and audit requirements for federal awards (uniform guidance); and State of New Jersey Circular OMB 15-08 The auditor's report on the general purpose financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

- 10) **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Burlington Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our central office staff. We greatly appreciate their fine work.

Sincerely,

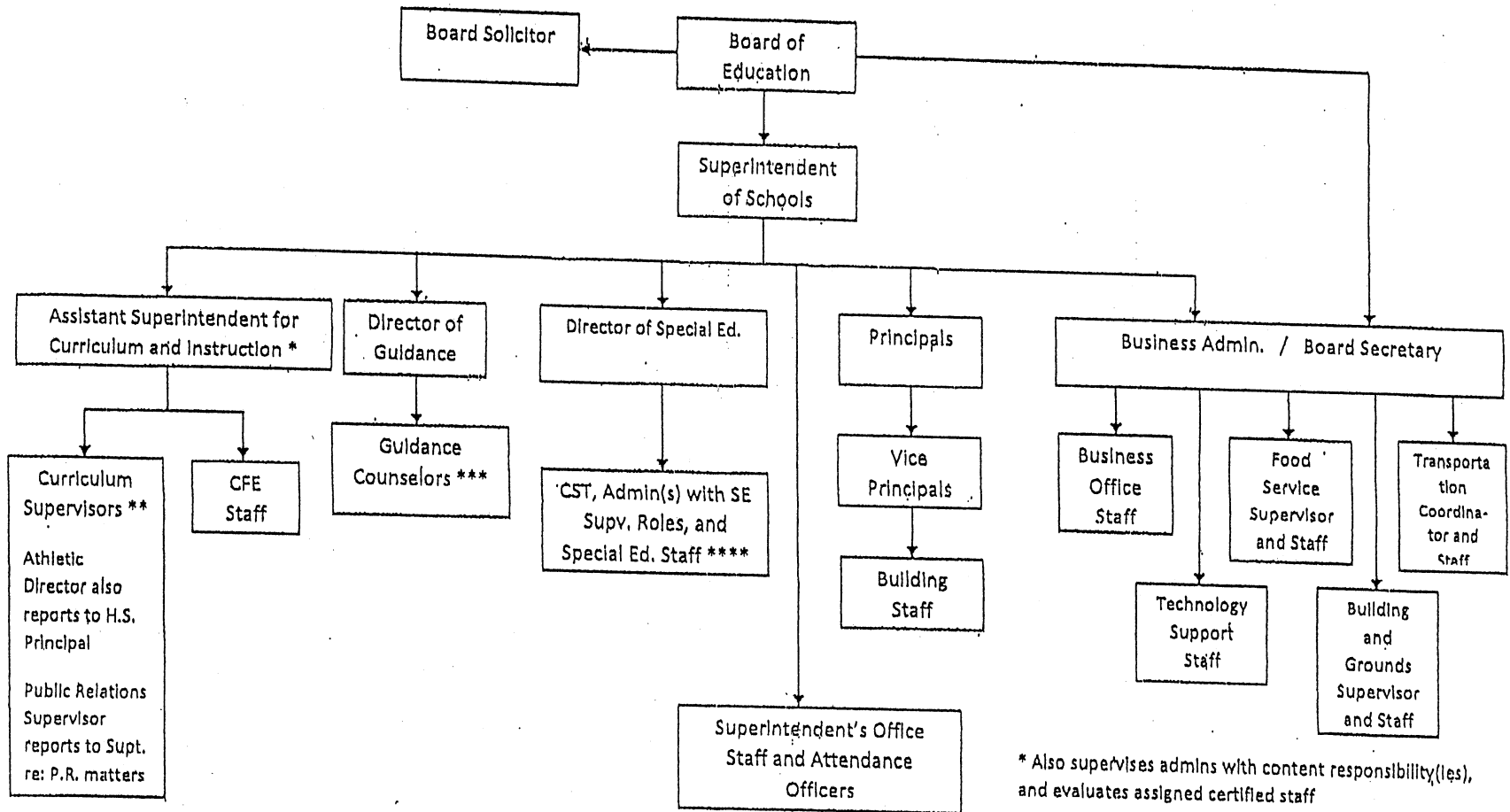


Mary Ann Bell  
Superintendent of Schools

Sincerely,



Nicholas Bice  
Business Administrator/Board Secretary



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Revised First Reading May 2013

\* Also supervises admins with content responsibility(ies), and evaluates assigned certified staff

\*\* Also evaluates assigned certified staff.

\*\*\* Guidance Counselors also report to building principals.

\*\*\*\* Special Education teachers also report to building principals.



**BOARD OF EDUCATION**  
**TOWNSHIP OF BURLINGTON**  
**BURLINGTON, NEW JERSEY**

ROSTER OF OFFICIALS  
 JUNE 30, 2018

<u>Members of the Board of Education</u>	<u>Term Expires (December)</u>
Maryann McMahon-Nester, President	2020
Susan Eichmann, Vice President	2019
Lisa Bungarden	2020
Donna Custard	2019
Christopher Holmes	2020
Antoinette Minors-Ferguson	2018
Jack Newman	2019
Velina Marie Riggi	2018
Michelle Spotts	2018

**Other Officials (as of June 30, 2018)**

Mrs. Mary Ann Bell, Superintendent of Schools  
 Mr. Nicholas Bice, School Business Administrator/Board Secretary  
 Ms. Ann Britt, Assistant Superintendent for Curriculum & Instruction  
 Mr. Christopher Giannotti, Assistant Superintendent for Special Education  
 Mrs. Elizabeth Scott, Director of Human Resources and Community Relations

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Consultants and Advisers**

**Audit Firm**

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

**Attorney**

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505 South Lenola Road  
Moorestown, NJ 08057

**Special Education Counsel**

Parker McCay  
9000 Midlantic Dr #300,  
Mt Laurel, NJ 08054

**Bond Counsel**

Parker McCay  
9000 Midlantic Dr #300,  
Mt Laurel, NJ 08054

**Official Depositories**

Investors Bank  
Beneficial Bank  
NJ State Cash Management

**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  
Burlington Township School District  
County of Burlington  
Burlington Township, 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 Burlington Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2018, 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 Burlington Township School District, in the County of Burlington, State of New Jersey, as of June 30, 2018, 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, schedule of the State's proportionate share of the net OPEB liability associated with the School District and changes in the total OPEB liability and related ratios as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 Burlington Township School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the 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 January 31, 2019 on my consideration of the Burlington Township 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 Burlington Township School District's internal control over financial reporting and compliance.

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



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

Marlton, New Jersey  
January 31, 2019

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

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 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  
 Burlington Township School District  
 County of Burlington  
 Burlington Township, 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 Burlington Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2018, 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 January 31, 2019.

***Internal Control Over Financial Reporting***

In planning and performing my audit of the financial statements, I considered the Burlington Township School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing 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 Burlington Township School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 Burlington Township 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 no instances 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.

***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  
January 31, 2019



Required Supplementary Information - Part I

Management's Discussion and Analysis

**Burlington Township School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2018**

As management of the Board of Education of Burlington 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, 2018. 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 \$35,504,277 (*net position*).
- Governmental activities have deficit unrestricted net position of \$11,686,854. The accounting treatments in the governmental funds for compensated absences payable, pension liability, and the June 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 balance.
- The total net position of the School District increased by \$845,395, or a 2.44% increase from the prior fiscal year-end balance. The majority of the increase is attributable to the increase in Food Service.
- Fund balance of the School District's governmental funds decreased by \$5,484,952 resulting in an ending fund balance of \$6,983,746. This decrease is largely due to the results of operations in the Capital Fund.
- Business-type activities have unrestricted net position of \$97,869 which may be used to meet the School District's ongoing obligations of the food service operations and performing arts center.
- The School District's long-term obligations decreased by \$6,100,627 which is the result a decrease in serial bond debt and net pension liability 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 and the Performing Arts Center Fund.

### 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 two enterprise funds (Food Service Fund and the Performing Arts Center Fund) 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 2018. 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 2018.

The assets of the primary government activities exceeded liabilities by \$32,397,209 with an unrestricted deficit balance of \$11,686,854. The net position of the primary government does not include internal balances.

A net investment of \$36,783,789 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 3,819 public school students, represents 113.54% of the School District's net position. Net position of \$4,496,580 has been restricted to provide resources for future capital expansion and renovation projects, \$1,446,000 for maintenance reserve, \$39,268 for repayment of debt and \$1,318,426 has been restricted for future budget appropriation.

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

**Burlington Township School District  
Comparative Summary of Net Position  
As of June 30, 2018 and 2017**

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
<b>ASSETS</b>						
Current assets	\$ 7,171,611	\$ 13,053,756	\$ 123,063	\$ 119,564	\$ 7,294,674	\$ 13,173,320
Capital assets	60,920,993	61,312,475	3,009,199	321,844	63,930,192	61,634,319
<b>Total assets</b>	<b>68,092,604</b>	<b>74,366,231</b>	<b>3,132,262</b>	<b>441,408</b>	<b>71,224,866</b>	<b>74,807,639</b>
Deferred Outflows of Resources	2,263,658	3,126,717			2,263,658	3,126,717
<b>LIABILITIES</b>						
Current liabilities	5,319,285	5,282,997	25,194	27,059	5,344,479	5,310,056
Noncurrent liabilities	29,728,229	36,318,118			29,728,229	36,318,118
<b>Total Liabilities</b>	<b>35,047,514</b>	<b>41,601,115</b>	<b>25,194</b>	<b>27,059</b>	<b>35,072,708</b>	<b>41,628,174</b>
Deferred Inflows of Resources	2,911,539	1,647,300			2,911,539	1,647,300
<b>Net Position</b>	<b>\$ 32,397,209</b>	<b>\$ 34,244,533</b>	<b>\$ 3,107,068</b>	<b>\$ 414,349</b>	<b>\$ 35,504,277</b>	<b>\$ 34,658,882</b>
Net Position Consists of:						
Net investment in Capital Assets	36,783,789	33,307,706	3,009,199	321,844	39,792,988	33,629,550
Restricted Assets	7,300,274	12,673,778			7,300,274	12,673,778
Unrestricted Assets	(11,686,854)	(11,736,951)	97,869	92,505	(11,588,985)	(11,644,446)
<b>Net Position</b>	<b>\$ 32,397,209</b>	<b>\$ 34,244,533</b>	<b>\$ 3,107,068</b>	<b>\$ 414,349</b>	<b>\$ 35,504,277</b>	<b>\$ 34,658,882</b>

**Governmental Activities**

Governmental activities decreased the net position of the School District by \$1,847,324 during the current fiscal year. Key elements of the increase net position for governmental activities are as follows:

- Governmental funds had a net loss of \$5,484,952.
- Repayment of bond principal \$3,665,000.

**Business-type Activities**

Business-type activities increased the School District's net position by \$2,692,719. Key elements of the increase in net position for business-type activities are as follows:

- The Food Service Fund had a net gain of \$2,714,521 and the Performing Arts Center had a net loss of \$21,802.

**Burlington Township School District**  
**Comparative Schedule of Changes in Net Position**  
**As of and for the Fiscal Year Ended June 30, 2018 and 2017**

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
<b>Revenues:</b>						
Charges for services	\$ 478,208	\$ 232,010	\$ 751,074	\$ 813,419	\$ 1,229,282	\$ 1,045,429
Operating Grants and contributions	29,611,391	9,351,983	601,908	629,094	30,213,299	9,981,077
Property taxes	43,925,344	43,036,371			43,925,344	43,036,371
State aid - unrestricted	19,770,577	19,857,334			19,770,577	19,857,334
Other revenues	966,307	361,028	2,746,657	37,110	3,712,964	398,138
<b>Total Revenues</b>	<b>94,751,827</b>	<b>72,838,726</b>	<b>4,099,639</b>	<b>1,479,623</b>	<b>98,851,466</b>	<b>74,318,349</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	30,220,461	28,934,142			30,220,461	28,934,142
Tuition	3,262,410	2,721,679			3,262,410	2,721,679
Related Services	8,604,348	8,402,913			8,604,348	8,402,913
Administrative Services	2,999,737	3,175,629			2,999,737	3,175,629
Central services	2,053,684	1,243,499			2,053,684	1,243,499
Operations and Maintenance	9,900,494	7,744,288			9,900,494	7,744,288
Transportation	2,903,921	2,832,214			2,903,921	2,832,214
Employee benefits	35,796,503	16,613,737			35,796,503	16,613,737
Charter Schools	9,197	10,005			9,197	10,005
Interest on debt	717,192	745,241			717,192	745,241
Other	131,204	126,795			131,204	126,795
<b>Business-Type Activities:</b>						
Food Service			1,353,351	1,471,199	1,353,351	1,471,199
Performing Arts Center			53,569	57,789	53,569	57,789
<b>Total Expenses</b>	<b>96,599,151</b>	<b>72,550,142</b>	<b>1,406,920</b>	<b>1,528,988</b>	<b>98,006,071</b>	<b>74,079,130</b>
Increase (Decrease) in Net Position before transfers	(1,847,324)	288,584	2,692,719	(49,365)	845,395	239,219
Transfers						
<b>Change in Net Position</b>	<b>(1,847,324)</b>	<b>288,584</b>	<b>2,692,719</b>	<b>(49,365)</b>	<b>845,395</b>	<b>239,219</b>
Net Position, July 1	34,244,533	33,955,949	414,349	463,714	34,658,882	34,419,663
<b>Net Position, June 30</b>	<b>\$ 32,397,209</b>	<b>\$ 34,244,533</b>	<b>\$ 3,107,068</b>	<b>\$ 414,349</b>	<b>\$ 35,504,277</b>	<b>\$ 34,658,882</b>

**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 \$6,983,746, a decrease of \$5,484,952 in comparison with the prior year. The majority of the decrease is attributable to the results of operations in the capital fund

The unreserved fund balance for the School District at the end of the fiscal year includes a combination of an unreserved deficit fund balance for the General Fund of \$316,528, \$782,846 in the Capital Projects Fund and \$39,268 in the Debt Service Fund. 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 \$1,852,716, 2) \$1,446,000 for maintenance reserve, 3) \$1,318,426 appropriated as a revenue source in the subsequent year's budgets, and 3) \$1,861,018 reserved for encumbrances.

### General Fund Budgetary Highlights

There was a \$393,830 difference between the original budget and the final amended budget.

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$1,404,628, while total fund balance (budgetary basis) was \$5,986,318. 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 \$69,512,458. Unassigned fund balance (budgetary basis) represents 2.02% of expenditures while total fund balance (budgetary basis) represents 8.61% 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, 2018, totaled \$63,930,192 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total increase in the District's investment in capital assets for the current fiscal year was \$2,295,870, or a 3.72% increase. This increase is due to capital asset purchases less annual depreciation expense.

#### Capital Asset (net of accumulated depreciation) June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
Land	\$ 1,621,644	\$ 1,621,644	\$ -	\$ -	\$ 1,621,644	\$ 1,621,644
Construction in Progress						
Site Improvements	1,459,294	747,881			1,459,294	747,881
Building and Building Improvements	55,883,329	56,373,000	2,774,267	316,071	58,657,596	56,689,071
Equipment	1,956,726	2,569,953	234,932	5,773	2,191,658	2,575,726
Net Assets	<u>\$ 60,920,993</u>	<u>\$ 61,312,478</u>	<u>\$ 3,009,199</u>	<u>\$ 321,844</u>	<u>\$ 63,930,192</u>	<u>\$ 61,634,322</u>

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, 2018, the School District had \$23,884,000 in serial bonds payable, and \$1,708,851 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 \$95,904,302. The available amount as of June 30, 2018 is \$72,020,302.

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 2018-19 fiscal year.

- For the 2018-19 fiscal year the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$807,224 or 2.00 % as salaries continue to increase contractually. The 2018-19 General Fund Budget is \$846,852 more than the previous year or a 1.35% increase.
- The tax rate increased from \$1.907 in 2017 to \$1.938 in 2018, a 1.63% increase.

### **For the Future**

The Burlington Township School District is in good financial condition presently. However, a major concern is the continued enrollment growth of the District with an increased reliance on local property taxes as state aid has remained stagnant.

In conclusion, the Burlington 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 Burlington Township School District Business Administrator, Box 428, Burlington, New Jersey, 08016.



**Basic Financial Statements**

**District-Wide Financial Statements**

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2018**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 3,175,335	\$ 221,686	\$ 3,397,021
Receivables, net	1,838,867	173,753	2,012,620
Inventory		31,967	31,967
Internal balances	304,343	(304,343)	
Restricted assets:			
Restricted cash and cash equivalents	1,853,066		1,853,066
Capital assets, net (Note 5)	60,920,993	3,009,199	63,930,192
<b>Total assets</b>	<b>68,092,604</b>	<b>3,132,262</b>	<b>71,224,866</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	2,263,658		2,263,658
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	<b>70,356,262</b>	<b>3,132,262</b>	<b>73,488,524</b>
<b>LIABILITIES:</b>			
Accounts payable			
Related to pensions	349,833		349,833
Other	143,950		143,950
Unearned revenue	43,915	25,194	69,109
Other liabilities			
Accrued interest	408,160		408,160
Noncurrent liabilities:			
Due within one year	4,373,427		4,373,427
Due beyond one year	29,728,229		29,728,229
<b>Total liabilities</b>	<b>35,047,514</b>	<b>25,194</b>	<b>35,072,708</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflows of resources from pensions	2,911,539		2,911,539
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	<b>37,959,053</b>	<b>25,194</b>	<b>37,984,247</b>
<b>NET POSITION:</b>			
Net investment in capital assets	36,783,789	3,009,199	39,792,988
Restricted for:			
Capital Projects	4,496,580		4,496,580
Other purposes	2,803,694		2,803,694
Unrestricted	(11,686,854)	97,869	(11,588,985)
<b>Total position</b>	<b>\$ 32,397,209</b>	<b>\$ 3,107,068</b>	<b>\$ 35,504,277</b>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2018**

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
<b>Governmental activities:</b>						
Instruction:						
Regular	\$ 20,750,514	\$ -	\$ 470,103	\$ (20,280,411)	\$ -	\$ (20,280,411)
Special education	7,281,816		859,681	(6,422,135)		(6,422,135)
Other instruction	2,188,131			(2,188,131)		(2,188,131)
Support Services:						
Tuition	3,262,410			(3,262,410)		(3,262,410)
Student & instruction related services	8,604,348		102,331	(8,502,017)		(8,502,017)
General administrative services	981,110			(981,110)		(981,110)
School administrative services	2,018,627			(2,018,627)		(2,018,627)
Central services	861,406			(861,406)		(861,406)
Admin Info Technology	1,192,278	478,208		(714,070)		(714,070)
Plant operations and maintenance	9,900,494		9,948	(9,890,546)		(9,890,546)
Pupil transportation	2,903,921			(2,903,921)		(2,903,921)
Employee benefits	35,796,503		27,088,052	(8,708,451)		(8,708,451)
Charter schools	9,197			(9,197)		(9,197)
Interest on long-term debt	717,192		1,081,276	364,084		364,084
Unallocated depreciation and amortization	131,204			(131,204)		(131,204)
Total governmental activities	<u>96,599,151</u>	<u>478,208</u>	<u>29,611,391</u>	<u>(66,509,552)</u>		<u>(66,509,552)</u>
Business-type activities:						
Performing Arts Center	53,569	30,970			(22,599)	(22,599)
Food service	1,353,351	720,104	601,908		(31,339)	(31,339)
Total business-type activities	<u>1,406,920</u>	<u>751,074</u>	<u>601,908</u>		<u>(53,938)</u>	<u>(53,938)</u>
<b>Total primary government</b>	<b>\$ 98,006,071</b>	<b>\$ 1,229,282</b>	<b>\$ 30,213,299</b>	<b>\$ (66,509,552)</b>	<b>\$ (53,938)</b>	<b>\$ (66,563,490)</b>
General revenues:						
Taxes:						
				40,361,193		40,361,193
				3,564,151		3,564,151
				19,770,577		19,770,577
				53,795		53,795
					2,743,815	2,743,815
				912,512	2,842	915,354
				<u>64,662,228</u>	<u>2,746,657</u>	<u>67,408,885</u>
				(1,847,324)	2,692,719	845,395
				<u>34,244,533</u>	<u>414,349</u>	<u>34,658,882</u>
				<u>\$ 32,397,209</u>	<u>\$ 3,107,068</u>	<u>\$ 35,504,277</u>

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

**Fund Financial Statements**

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2018**

<b>ASSETS</b>	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 545,620	\$ 261	\$ 2,629,454	\$ -	\$ 3,175,335
Receivables, net	958,990	213,958	713,805		1,886,753
Interfund receivables, net	1,180,832			88,590	1,269,422
Restricted cash and cash equivalents	<u>1,853,066</u>				<u>1,853,066</u>
<b>Total assets</b>	<u>\$ 4,538,508</u>	<u>\$ 214,219</u>	<u>\$ 3,343,259</u>	<u>\$ 88,590</u>	<u>\$ 8,184,576</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	119,565		24,385		143,950
Interfund payables	125,631	198,454	675,010	13,870	1,012,965
Unearned revenues	28,150	15,765			43,915
Other liability					-
<b>Total liabilities</b>	<u>273,346</u>	<u>214,219</u>	<u>699,395</u>	<u>13,870</u>	<u>1,200,830</u>
<b>Fund Balances:</b>					
<b>Restricted Fund Balance:</b>					
Maintenance reserve	1,446,000				1,446,000
Capital reserve	1,852,716				1,852,716
<b>Assigned Fund Balance:</b>					
Year-end encumbrances			1,861,018		1,861,018
Designated for subsequent year's expenditures	1,282,974			35,452	1,318,426
Unassigned fund balance	<u>(316,528)</u>		<u>782,846</u>	<u>39,268</u>	<u>505,586</u>
<b>Total fund balances</b>	<u>4,265,162</u>	<u>-</u>	<u>2,643,864</u>	<u>74,720</u>	<u>6,983,746</u>
<b>Total liabilities and fund balances</b>	<u>\$ 4,538,508</u>	<u>\$ 214,219</u>	<u>\$ 3,343,259</u>	<u>\$ 88,590</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$101,809,273 and the accumulated depreciation is \$40,888,280.	60,920,993
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds.	(408,160)
Accounts payable related to the April 1, 2019 required PERS contribution that is not to be liquidated with current financial resources.	(349,833)
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	2,263,658
Net Pension Liability	(8,255,601)
Deferred Inflows of resources from Pensions	<u>(2,911,539)</u>
	(8,903,482)
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:	
Bonds Payable	(24,137,204)
Compensated Absences	<u>(1,708,851)</u>
	(25,846,055)
<b>Net position of governmental activities</b>	<u>\$ 32,397,209</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**for the Fiscal Year Ended June 30, 2018**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 40,361,193	\$ -	\$ -	\$ 3,564,151	\$ 43,925,344
Tuition charges	114,405				114,405
Transportation fees	34,735				34,735
Interest earned	14,527		39,268		53,795
Miscellaneous	763,372				763,372
Total revenues-local sources	41,288,232	-	39,268	3,564,151	44,891,651
Local sources		33,293			33,293
State sources	27,766,600	28,442		1,081,276	28,876,318
Federal sources	51,683	1,380,328			1,432,011
Total revenues	69,106,515	1,442,063	39,268	4,645,427	75,233,273
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	18,337,609	470,103			18,807,712
Special education instruction	6,422,135	859,681			7,281,816
Other instruction	2,188,131				2,188,131
Support services and undistributed costs:					
Tuition	3,262,410				3,262,410
Student & instruction related services	8,502,017	102,331			8,604,348
General administrative services	718,700				718,700
School administrative services	2,018,627				2,018,627
Central services	861,406				861,406
Admin Info Technology	714,070				714,070
Plant operations and maintenance	5,294,233				5,294,233
Pupil transportation	2,903,921				2,903,921
Employee benefits	16,949,095				16,949,095
Charter Schools	9,197				9,197
Capital outlay	1,330,907	9,948	5,104,407		6,445,262
Debt service:					
Principal				3,665,000	3,665,000
Interest and other charges				994,297	994,297
Total expenditures	69,512,458	1,442,063	5,104,407	4,659,297	80,718,225
Excess (deficiency) of revenues over (under) expenditures	(405,943)	-	(5,065,139)	(13,870)	(5,484,952)
Other Financing Sources (Uses):					
Proceeds of Serial Bonds					-
Transfers in	3,404			39,268	42,672
Transfers out			(42,672)		(42,672)
Total other financing sources (uses)	3,404	-	(42,672)	39,268	-
Net change in fund balance	(402,539)	-	(5,107,811)	25,398	(5,484,952)
Fund balances, July 1	4,667,701		7,751,675	49,322	12,468,698
Fund balances, June 30	\$ 4,265,162	\$ -	\$ 2,643,864	\$ 74,720	\$ 6,983,746

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**for the Fiscal Year Ended June 30, 2018**

Total net change in fund balances - governmental funds (from B-2)		\$ (5,484,952)
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	\$ (2,624,098)	
Capital outlay	<u>2,232,616</u>	(391,482)
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.		3,867,565
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 in the reconciliation.		74,540
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		192,938
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>(105,933)</u>
Change in net position of governmental activities		<u>\$ (1,847,324)</u>

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



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2018**

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service
	Food Service Program	Performing Arts Center	Total Enterprise	Technology Services
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 156,572	\$ 65,114	\$ 221,686	\$ -
Accounts receivable	173,168	585	173,753	-
Interfund receivable	64,496	3,130	67,626	-
Inventories	31,967	-	31,967	-
Total current assets	<u>426,203</u>	<u>68,829</u>	<u>495,032</u>	<u>-</u>
Noncurrent assets:				
Building and Building Improvements	2,875,568	-	2,875,568	-
Equipment	706,722	-	706,722	-
	3,582,290	-	3,582,290	-
Less accumulated depreciation	<u>(573,091)</u>	<u>-</u>	<u>(573,091)</u>	<u>-</u>
Total noncurrent assets	<u>3,009,199</u>	<u>-</u>	<u>3,009,199</u>	<u>-</u>
Total assets	<u>\$ 3,435,402</u>	<u>\$ 68,829</u>	<u>\$ 3,504,231</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned Revenue	25,194	-	25,194	-
Interfund payable	371,969	-	371,969	-
Total liabilities	<u>397,163</u>	<u>-</u>	<u>397,163</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	3,009,199	-	3,009,199	-
Unrestricted	29,040	68,829	97,869	-
Total net position	<u>\$ 3,038,239</u>	<u>\$ 68,829</u>	<u>\$ 3,107,068</u>	<u>\$ -</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2018**

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service
	Food Service Program	Performing Arts Center	Total Enterprise	Technology Services
<b>Operating revenues:</b>				
Charges for services:				
Daily sales-reimbursable programs	\$ 501,356	\$ -	\$ 501,356	\$ -
Daily sales-non-reimbursable programs	192,963	-	192,963	-
Special functions	25,785	-	25,785	-
Charges for technology services	-	-	-	478,208
Rentals	-	30,970	30,970	-
<b>Total operating revenue</b>	<b>720,104</b>	<b>30,970</b>	<b>751,074</b>	<b>478,208</b>
<b>Operating expenses:</b>				
Salaries and benefits	616,489	22,893	639,382	-
Direct expenses	4,921	-	4,921	-
Repair and maintenance	-	-	-	-
Supplies and materials	34,168	20,911	55,079	-
Depreciation	56,460	-	56,460	-
Management fee	26,393	-	26,393	-
Cost of sales - reimbursable programs	419,738	-	419,738	-
Cost of sales - nonreimbursable programs	183,137	-	183,137	-
Other costs	12,045	9,765	21,810	478,208
<b>Total operating expenses</b>	<b>1,353,351</b>	<b>53,569</b>	<b>1,406,920</b>	<b>478,208</b>
<b>Operating income (loss)</b>	<b>(633,247)</b>	<b>(22,599)</b>	<b>(655,846)</b>	<b>-</b>
<b>Nonoperating revenues (expenses):</b>				
State sources:				
State school lunch program	15,193	-	15,193	-
Federal sources:				
National school lunch program	438,441	-	438,441	-
National school breakfast program	79,730	-	79,730	-
U.S.D.A. commodities	68,544	-	68,544	-
Local sources:				
Contributed Capital	2,743,815	-	2,743,815	-
Interest revenue	2,045	797	2,842	-
<b>Total nonoperating revenues (expenses)</b>	<b>3,347,768</b>	<b>797</b>	<b>3,348,565</b>	<b>-</b>
<b>Change in net position</b>	<b>2,714,521</b>	<b>(21,802)</b>	<b>2,692,719</b>	<b>-</b>
<b>Total net position - July 1</b>	<b>323,718</b>	<b>90,631</b>	<b>414,349</b>	<b>-</b>
<b>Total net position - June 30</b>	<b>\$ 3,038,239</b>	<b>\$ 68,829</b>	<b>\$ 3,107,068</b>	<b>\$ -</b>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2018**

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service
	Food Service Program	Performing Arts Center	Total Enterprise	Technology Services
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 876,715	\$ 31,385	\$ 908,100	\$ 478,208
Payments to employees	(710,229)	(22,893)	(733,122)	-
Payments to suppliers	(683,628)	(30,676)	(714,304)	(478,208)
Net cash used for operating activities	<u>(517,142)</u>	<u>(22,184)</u>	<u>(539,326)</u>	<u>-</u>
<b>Cash flows from noncapital financing activities:</b>				
State sources	14,993	-	14,993	-
Federal sources	514,956	-	514,956	-
Net cash provided by non-capital financing activities	<u>529,949</u>	<u>-</u>	<u>529,949</u>	<u>-</u>
<b>Cash flows from capital activities:</b>				
Purchases of fixed assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Interest and dividends	2,045	797	2,842	-
Net cash provided by investing activities	<u>2,045</u>	<u>797</u>	<u>2,842</u>	<u>-</u>
Net increase in cash and cash equivalents	14,852	(21,387)	(6,535)	-
Balances - July 1	<u>141,720</u>	<u>86,501</u>	<u>228,221</u>	<u>-</u>
Balances - June 30	<u>\$ 156,572</u>	<u>\$ 65,114</u>	<u>\$ 221,686</u>	<u>\$ -</u>
<b>Reconciliation of operating loss to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ (633,247)	\$ (22,599)	\$ (655,846)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	56,460	-	56,460	-
Federal commodities	68,544	-	68,544	-
(Increase) decrease in inventories	1,248	-	1,248	-
(Increase) decrease in accounts receivable	(8,282)	415	(7,867)	36,682
Increase (decrease) in unearned revenue	(1,865)	-	(1,865)	-
Increase (decrease) in interfund payable	-	-	-	(36,682)
Total adjustments	<u>116,105</u>	<u>415</u>	<u>116,520</u>	<u>-</u>
Net cash provided by (used for) operating activities	<u>\$ (517,142)</u>	<u>\$ (22,184)</u>	<u>\$ (539,326)</u>	<u>\$ -</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2018**

	<u>Unemployment Compensation Insurance Trust</u>	<u>Agency Funds</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 674,845	\$ 797,943
Interfund receivable		58,005
	<u>674,845</u>	<u>855,948</u>
<b>Total assets</b>	<u>\$ 674,845</u>	<u>\$ 855,948</u>
 <b>LIABILITIES:</b>		
Accounts payable	\$ 151	\$ -
Payroll deductions and withholdings		286,995
Other liabilities		41,446
Interfund payable		10,119
Due to student groups		517,388
	<u>151</u>	<u>855,948</u>
<b>Total liabilities</b>	<u>\$ 151</u>	<u>\$ 855,948</u>
 <b>NET POSITION:</b>		
Held in trust for unemployment claims and other purposes	<u>\$ 674,694</u>	

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2018**

	Unemployment Compensation Insurance Fund
<b>ADDITIONS:</b>	
Contributions:	
Employee contributions	\$ 48,689
Total Contributions	48,689
Investment earnings:	
Interest	7,104
Net investment earnings	7,104
Total additions	55,793
<b>DEDUCTIONS:</b>	
Unemployment claims	10,005
Total deductions	10,005
Change in net position	45,788
Net position - July 1	628,906
Net position - June 30	\$ 674,694

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Township of Burlington School District (School District) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three 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 Burlington School District has an approximate enrollment at June 30, 2018 of 3,819 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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**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.

**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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

**Proprietary Funds (Continued)**

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.

**Performing Arts Center Fund** – This fund accounts for the financial transactions related to the performing arts center operations of the School District.

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 net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

**Internal Service Fund** – The internal service fund has been established to account for the financing of technology services provided by the Burlington Township School District for use by other school districts, as well as for the Burlington Township School District itself. Services are provided on a cost-reimbursement basis.

**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 flexible spending account, 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 funds.



**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**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 total assets. 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 deferred 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 deferred 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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**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, are reflected in the balance sheet as deferred revenues at fiscal year end.

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

**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.

**Burlington Township School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

**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, 2018 and 2017 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, 2018.

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 Expenditures** - Deferred expenditures are disbursements that are made in one period but are more accurately reflected as an expenditure/expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring cost of operations.

**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 net position and the proprietary fund statement of net position.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**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:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
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

**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.

**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.

**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.

**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.

**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:

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

**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, 2018.

**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.

**Burlington Township School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

**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 and rental fees for the performing arts center. 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 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 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 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 District's financial statements.

In April 2018, the GASB issued Statement 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements*. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government's future resource flows. 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 District's financial statements.

In June 2018, the GASB issued Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. 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 District's financial statements.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**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. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection 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 \$10,459,584 as of June 30, 2018, \$252,184 was insured under FDIC and the remaining balance of \$10,207,400 was collateralized under GUDPA.

During the fiscal year, the School district participated in the New Jersey Cash Management Fund. This Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial risk. Accordingly, the School District’s deposits with the New Jersey Cash Management Fund of \$104,907 were uninsured and uncollateralized.

**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, 2017 to June 30, 2018 fiscal year is as follows:

Balance – July 1, 2017		\$ 1,794,043
Increased by:		
Interest earned	\$ 14,527	
Transfer from Capital Projects	3,404	
Board resolution	590,500	608,781
Decreased by:		
Transfer to General Fund Budget		549,758
Balance – June 30, 2018		\$ 1,852,716

The June 30, 2018 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted capital projects.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**4. ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2018 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, 2018 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>
State Aid	\$ 734,197	\$ -	\$ 713,805	\$ 1,003	\$ 1,449,005
Federal Aid		213,958		35,172	249,130
Other	<u>224,793</u>			<u>137,578</u>	<u>362,371</u>
	<u>\$ 958,990</u>	<u>\$ 213,958</u>	<u>\$ 713,805</u>	<u>\$ 173,753</u>	<u>\$ 2,060,506</u>

**5. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	<u>June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2018</u>
<b>Governmental Activities:</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,621,644	\$ -	\$ -	\$ 1,621,644
Total Capital Assets not being Depreciated	1,621,644	-	-	1,621,644
<i>Capital Assets, being depreciated:</i>				
Site Improvements	1,593,516	785,838		2,379,354
Building and Building Improvements	86,808,544	1,343,451		88,151,995
Machinery & Equipment	9,552,953	103,327		9,656,280
Total Historical Cost	<u>99,576,657</u>	<u>2,232,616</u>	<u>-</u>	<u>101,809,273</u>
<i>Less Accumulated Depreciation:</i>				
Building and Improvements	(845,638)	(74,422)		(920,060)
Site and Site Improvements	(30,435,544)	(1,833,122)		(32,268,666)
Machinery & Equipment	(6,983,000)	(716,554)		(7,699,554)
Total Accumulated Depreciation	<u>(38,264,182)</u>	<u>(2,624,098)</u>	<u>-</u>	<u>(40,888,280)</u>
Governmental Activities Capital Assets, Net	<u>\$ 61,312,475</u>	<u>\$ (391,482)</u>	<u>\$ -</u>	<u>\$ 60,920,993</u>
<b>Business-Type Activities:</b>				
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	\$ 376,275	\$ 2,499,293	\$ -	\$ 2,875,568
Equipment	492,200	244,522	(30,000)	706,722
Less - Accumulated Depreciation	(546,631)	(56,460)	30,000	(573,091)
Business-Type Activities Capital Assets, Net	<u>\$ 321,844</u>	<u>\$ 2,687,355</u>	<u>\$ -</u>	<u>\$ 3,009,199</u>



**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**5. CAPITAL ASSETS**

Depreciation expense in the amount of \$2,624,098 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 1,836,869
Administration	262,410
Plant Operations and Maintenance	393,615
Unallocated	131,204
Total depreciation expense	\$ 2,624,098

**6. INVENTORY**

Inventory in the Food Service Fund at June 30, 2018 consisted of the following:

Food	\$ 23,132
Supplies	8,835
	\$ 31,967

**7. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2018, the following changes occurred in long-term obligations:

	Balance June 30, 2017	Increases	Decreases	Balance June 30, 2018	Due Within One Year
Bonds Payable	\$ 27,549,000	\$	\$ 3,665,000	\$ 23,884,000	\$ 4,095,000
Unamortized Premiums	455,769		202,565	253,204	202,565
Total Bonds Payable	28,004,769		3,867,565	24,137,204	4,297,565
Compensated Absences Payable	1,602,918	105,933		1,708,851	75,862
Net Pension Liability	10,594,596		2,338,995	8,255,601	
Total Long-Term Obligations	\$ 40,202,283	\$ 105,933	\$ 6,206,560	\$ 34,101,656	\$ 4,373,427

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

Refunding Bonds - Authorized and issued, \$10,015,000, dated April 1, 2012, for refunding a portion of the 2004 bonds issued for the acquisition of land, construction of a new elementary school, expansion of Fountain Woods Elementary School and High School. The final maturity is due July 15, 2024 with interest rates varying from 3.75% to 5.00%

Refunding Bonds - Authorized and issued, \$3,755,000, dated October 3, 2013, for refunding the Refunding School Bonds of the district dated September 1, 2004. The final maturity is due January 15, 2020 with interest rates varying from 2.00% to 5.00%

School Bonds - Authorized and issued, \$10,114,000, dated July 19, 2016, for various improvements and renovations, to acquire necessary furnishings and equipment, and site work of the district. The final maturity is due July 15, 2026 with interest rates varying from 1.00% to 2.00%.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

**Debt Service Requirements**

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>
2019	\$ 4,095,000	\$ 756,230	\$ 4,851,230
2020	4,085,000	593,530	4,678,530
2021	2,585,000	450,055	3,035,055
2022	2,630,000	380,430	3,010,430
2023	2,665,000	296,630	2,961,630
2024-2028	<u>7,824,000</u>	<u>345,630</u>	<u>8,169,630</u>
	<u>\$ 23,884,000</u>	<u>\$ 2,822,505</u>	<u>\$ 26,706,505</u>

As of June 30, 2018 the District had no authorized but not issued bonds.

**Compensated Absences**

Compensated absences will be paid from the fund from which the employees' salaries are paid.

**8. OPERATING LEASES**

The District has various commitments for office equipment under operating leases which fully expire in 2021. Total operating lease payments made during the year ended June 30, 2017 and 2016 were \$99,663 and \$86,922, respectively. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2019	\$ 110,856
June 30, 2020	52,488
June 30, 2021	<u>33,816</u>
Total future minimum lease payments	<u>\$ 197,160</u>

**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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

**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 7.34% in State fiscal year 2018. 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.

For fiscal year 2017, 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*.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

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

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2018 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, 2017, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2018 was \$2,742,541 and was paid by April 1, 2018. School District employee contributions to the pension plan during the fiscal year ended June 30, 2018 were \$2,005,261.

*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, 2018, 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, 2018, the School District recognized pension expense of \$11,407,637 and revenue of \$11,407,637 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>06/30/17</u>	<u>06/30/16</u>
Collective deferred outflows of resources	\$ 14,160,879,257	\$ 17,414,701,002
Collective deferred inflows of resources	11,800,239,661	134,532,594
Collective net pension liability (Non-Employer – State of New Jersey)	67,423,605,859	79,028,907,033
State's portion of the net pension liability that was associated with the School District	164,671,925	190,153,606
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.2442348240%	.2417216061%

*Actuarial assumptions* – The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

- Inflation: 2.25%
- Salary Increases: Varies based on experience
- Investment Rate of Return: 7.00%

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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

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

The actuarial assumptions used in the July 1, 2016 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 (7.00% at June 30, 2017) 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, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	05.00%	05.51%
Cash Equivalents	05.50%	01.00%
U.S. Treasuries	03.00%	01.87%
Investment grade credit	10.00%	03.78%
Public high yield	02.50%	06.82%
Global diversified credit	05.00%	07.10%
Credit oriented hedge funds	01.00%	06.60%
Debt related private equity	02.00%	10.63%
Debt related real estate	01.00%	06.61%
Private real asset	02.50%	11.83%
Equity related real estate	06.25%	09.23%
U.S. Equity	30.00%	08.19%
Non-U.S. developed markets equity	11.50%	09.00%
Emerging markets equity	06.50%	11.64%
Buyouts/venture capital	08.25%	13.08%
	<u>100.00%</u>	

*Discount rate.* The discount rate used to measure the State's total pension liability was 4.25% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be made based on the contribution rate in the most recent fiscal year. The state contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2036. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2036, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

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

*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, 2017, 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 4.25%, 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 (3.25%) or 1 percentage point higher (5.25%) that the current rate:

	<b>1% Decrease (3.25%)</b>	<b>Current Discount Rate (4.25%)</b>	<b>1% Increase (5.25%)</b>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	195,635,412	164,671,925	139,164,070
	\$ 195,635,412	\$ 164,671,925	\$ 139,164,070

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.

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

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

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 7.34% in State fiscal year 2018. 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, 2018 was 14.40% 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, 2017, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2018 was \$328,542 and was paid by April 1, 2018. School District employee contributions to the pension plan during the fiscal year ended June 30, 2018 were \$179,506.

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:

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Adjustment</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability Paid by District</u>
2018	\$ 43,243	\$ -	\$ 269,285	\$ 16,014	\$ 328,542
2017	49,709	-	252,976	15,107	317,792
2016	52,323	-	241,033	15,707	309,063

*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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

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

At June 30, 2018, the School District reported a liability of \$8,255,601 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. 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, 2018, the School District recognized pension expense of \$138,257. At June 30, 2018, the School District reported a liability of \$8,255,601 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	\$ 194,391	\$ -
Changes of assumptions	1,663,219	1,657,121
Net Difference between projected and actual earnings on pension plan investments	56,215	
Changes in proportion	-	1,254,418
District contributions subsequent to the measurement date	349,833	
<b>Total</b>	<b>\$ 2,263,658</b>	<b>\$2,911,539</b>

\$349,833 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, 2018, the plan measurement date is June 30, 2017) will be recognized as a reduction of the net liability in the year ended June 30, 2018.

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/(Inflows) of Resources
2019	\$ (505,519)
2020	(262,504)
2021	24,833
2022	(224,794)
2023	(29,729)
<b>Total</b>	<b>\$ (997,713)</b>



**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**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	-
June 30, 2017	5.48	-
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
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, 2017 and 2016 are as follows:

	<u>6/30/2017</u>	<u>6/30/2016</u>
Collective deferred outflows of resources	\$ 6,424,455,842	\$ 8,685,338,380
Collective deferred inflows of resources	\$ 5,700,625,981	\$ 870,133,595
Collective net pension liability	\$ 23,278,401,588	\$ 29,617,131,759
School District's Proportion	.0354646385%	.0357718493%

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

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

*Actuarial assumptions* – The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate: 2.25%  
Salary Increases:  
    Through 2025: 1.65-4.15% based on age  
    Thereafter: 2.65-5.15% based on age  
Investment Rate of Return: 7.00%

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

The actuarial assumptions used in the July 1, 2016 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 (7.00% at June 30, 2017) 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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

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

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	05.00%	05.51%
Cash equivalents	05.50%	01.00%
U.S. Treasuries	03.00%	01.87%
Investment grade credit	10.00%	03.78%
Public high yield	02.50%	06.82%
Global diversified credit	05.00%	07.10%
Credit oriented hedge funds	01.00%	06.60%
Debt related private equity	02.00%	10.63%
Debt related real estate	01.00%	06.61%
Private real assets	02.50%	11.83%
Equity related real estate	06.25%	09.23%
U.S. Equity	30.00%	08.19%
Non-U.S. developed markets equity	11.50%	09.00%
Emerging markets equity	06.50%	11.64%
Buyouts/venture capital	08.25%	13.08%
	100.00%	

*Discount rate.* The discount rate used to measure the State's total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The state employer contributed 40% 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 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, 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, 2017, calculated using the discount rate of 5.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.00%) or 1 percentage point higher (6.00%) than the current rate:

	<u>1% Decrease (4.00%)</u>	<u>Current Discount Rate (5.00%)</u>	<u>1% Increase (6.00%)</u>
School District's proportionate share of the net pension liability	\$ 10,241,633	\$ 8,255,601	\$ 6,600,990

*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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (Continued)**

**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>
2018	\$ 12,260	\$ 12,260
2017	12,344	12,344
2016	11,004	11,004

**10. POST-RETIREMENT BENEFITS**

*Description of Plan* - Plan description and benefits provided 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. 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 (APB) who retired from a board of education or county college with 25 years of service (GASB Cod. Sec. 2300.106(g)). 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.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Employees covered by benefit terms. At June 30, 2017, the following employees were covered by the benefit terms:

TPAF participant retirees:

As of June 30, 2017, there were 112,966 retirees receiving post-retirement medical benefits, and the State contributed \$1.39 billion on their behalf.

PERS participant retirees:

The State paid \$238.9 million toward Chapter 126 benefits for 20,913 eligible retired members in Fiscal Year 2017.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**10. POST-RETIREMENT BENEFITS (Continued)**

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the school district. Note that actual numbers will be published in the NJ State's CAFR (<https://www.nj.gov/treasury/omb/publications/archives.shtml>)

*Actuarial assumptions and other imputes* - The total nonemployer OPEB liability as of the June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total nonemployer OPEB liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2016. The actuarial assumptions vary for each plan member depending on the pension plan the member enrolled in.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation	2.50%		
	TPAF/ABP	PERS	PFRS
Salary Increases Through 2026	1.55 - 4.55% based on years of service	2.15 - 4.15% based on age	2.10 - 8.98% based on age
Thereafter	2.00 - 5.45% based on years of service	3.15 - 5.15% based on age	3.10 - 9.98% based on age

Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2010 – June 30, 2013 and July 1, 2011 – June 30, 2014 for TPAF, PFRS, and PERS, respectively.

*Health Care Trend Assumptions* - For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

*Discount Rate* - The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This represent the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

*Retirees' Share of Benefit Related Costs* - Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**10. POST-RETIREMENT BENEFITS (Continued)**

The percentage of the premium for which the retirees will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

*Changes in the Total OPEB Liability reported by the State of New Jersey -*

	Total OPEB Liability
Balance as of June 30, 2106 Measurement Date	\$ 57,831,784,184
Changes for the years'	
Service Cost	\$ 2,391,878,884
Interest	1,699,441,736
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	(7,086,599,129)
Gross Benefit Payments	(1,242,412,566)
Contributions from the Non-employer	N/A
Contributions from the Member	45,748,749
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (4,191,942,326)
Balance at 06/30/2017	\$ 53,639,841,858

Changes of assumptions and other inputs reflect a change in the discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017.

*Sensitivity of the total OPEB liability to changes in the discount rate* - The following presents the total nonemployer OPEB liability of the State as of June 30, 2017 for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1percentage-point higher than the current discount rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Total OPEB Liability (School Retirees)	\$ 63,674,362,200	\$ 53,639,841,858	\$ 45,680,364,953

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* - The following presents the total nonemployer OPEB liability of the State as of June 30, 2107, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 44,113,584,560	\$ 53,639,841,858	\$ 66,290,599,457

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:* For the year ended June 30, 2017, the board of education recognized OPEB expense of \$7,494,452 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**10. POST-RETIREMENT BENEFITS (Continued)**

In accordance with GASBS No. 75, the school district's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	06/30/17
Collective deferred outflows of resources	\$ 99,843,255
Collective deferred inflows of resources	6,443,612,287
Collective net OPEB liability (Non-Employer – State of New Jersey)	53,639,841,858
State's portion of the net OPEB liability that was associated with the School District	115,801,625
State's portion of the net OPEB liability that was associated with the School District as a percentage of the collective net OPEB liability	0.22%

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 99,843,255	\$ 99,843,255
Changes of assumptions	-	6,343,769,032
Total	\$ 99,843,255	\$ 6,443,612,287

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

For the year ended:	
2018	\$ (742,830,097)
2019	(742,830,097)
2020	(742,830,097)
2021	(742,830,097)
2022	(742,830,097)
Therafter	(2,629,618,547)
Total	\$ (6,343,769,032)

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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2018, 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 \$3,679,947, \$2,376,799, and \$3,486, respectively. In addition, \$1,987,474 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 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. The District has chosen to purchase insurance to transfer the risk to outside parties.

**Property and Liability Insurance** - The District maintains commercial insurance coverage for all risks of loss, including property, liability, employee health, accident insurance and public official surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A complete schedule of insurance coverage can be found in the "Statistical Section" of this report.

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

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017-2018	\$ 48,689	\$ -	\$ 7,104	\$ 10,005	\$ 674,694
2016-2017	48,993	-	2,768	31,219	628,906
2015-2016	47,795	-	1,798	47,811	608,364
2014-2015	46,758	45,820	1,522	39,672	606,582
2013-2014	64,595	195,673	516	207,169	552,154

**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). 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.



**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**14. COMPENSATED ABSENCES (Continued)**

School District employees are granted vacation and sick leave in varying amounts in accordance with the School District's personnel policies. Unused sick leave may be accumulated carried forward to the subsequent years. Employees who retire from the School District shall be paid for unused sick leave in accordance with the School District's agreement or personnel policy.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2018, the liability for compensated absences in the governmental fund was \$1,708,851.

**15. INTERFUND RECEIVABLES AND PAYABLES**

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, 2018. The following interfund balances were recorded on the various balance sheets as of June 30, 2018:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 1,180,832	\$ 125,631
Special Revenue		198,454
Capital Projects		675,010
Debt Service	88,590	13,870
Proprietary	67,626	371,969
Internal Service		
Fiduciary	<u>58,005</u>	<u>10,119</u>
	<u>\$ 1,395,053</u>	<u>\$ 1,395,053</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, 2018, 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. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**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.

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**17. TAX ABATEMENTS (Continued)**

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

The Township of Burlington (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 \$222,020 from the annual service charge in lieu of payment of taxes in 2017. The assessed value on these tax exemption properties amounted to \$22,209,700 which would have resulted in 2017 taxes billed in full of \$653,187. A portion of the \$431,167 abatement would have been allocated to the District.

**18. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$316,528 in the General Fund as of June 30, 2018 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 payments 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 unassigned 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 \$316,528 is equal to or less than the June state aid payments.

**19. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2018, a deficit of \$11,686,854 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, 2018	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ (316,528)
Liabilities:	
Accrued interest Payable	(408,160)
Net pension differences	(9,253,315)
Compensated Absences	<u>(1,708,851)</u>
Unrestricted Net Position (Deficit)	<u>\$ (11,686,854)</u>

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**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:

*RESTRICTED*

**General Fund:**

**Capital Reserve** – As of June 30, 2018, the balance in the capital reserve account is \$1,852,716, all of which is 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, 2018, the balance in the maintenance reserve account is \$1,446,000. Of this amount, \$473,000 has been appropriated and included as an anticipated revenue for the fiscal year ended June 30, 2019. 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, 2019, \$1,282,974 of general fund balance at June 30, 2018.

**Capital Projects Fund:**

**Other Purposes** – At June 30, 2018 the School District has \$1,861,018 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Debt Service 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, 2019, \$35,452 of debt service fund balance at June 30, 2018.

*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, 2018, a deficit balance of \$316,528 was unassigned.

**Capital Projects Fund** – As of June 30, 2018, \$782,846 was unassigned.

**Debt Service Fund** – As of June 30, 2018, \$39,268 was unassigned.

Required Supplementary Information - Part II

**Budgetary Comparison Schedules**

**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 40,361,193	\$ -	\$ 40,361,193	\$ 40,361,193	\$ -
Tuition - other LEAS within State	39,000	-	39,000	85,855	46,855
Tuition - from individuals				28,550	28,550
Transportation fees from other LEAs	15,000	-	15,000	34,735	19,735
Capital reserve interest	400	-	400	14,527	14,127
Unrestricted miscellaneous revenue	77,000	-	77,000	763,372	686,372
<b>Total local sources</b>	<b>40,492,593</b>	<b>-</b>	<b>40,492,593</b>	<b>41,288,232</b>	<b>795,639</b>
State sources:					
Categorical special education aid	2,315,921		2,315,921	2,315,921	
Equalization aid	14,996,159	393,830	15,389,989	15,389,989	
Categorical security aid	428,856		428,856	428,856	
Categorical transportation aid	779,010		779,010	779,010	
Under adequacy aid	34,377		34,377	34,377	
PARCC Readiness Aid	40,040		40,040	40,040	
Per Pupil Growth Aid	40,040		40,040	40,040	
Professional Learning Community Aid	38,580		38,580	38,580	
Homeless tuition				61,293	61,293
Additional non-public transportation aid				28,173	28,173
Extraordinary aid	400,000		400,000	547,213	147,213
On-behalf TPAF Pension (non-budgeted)				3,679,947	3,679,947
On-behalf TPAF post retirement (non-budgeted)				2,376,799	2,376,799
On-behalf TPAF-LTDI (non-budgeted)				3,486	3,486
Reimbursed TPAF social security contributions (non-budgeted)				1,987,474	1,987,474
<b>Total state sources</b>	<b>19,072,983</b>	<b>393,830</b>	<b>19,466,813</b>	<b>27,751,198</b>	<b>8,284,385</b>
Federal sources:					
Medicaid Reimbursement - ARRA					
Medicaid Reimbursement	62,582	-	62,582	51,683	(10,899)
<b>Total federal sources</b>	<b>62,582</b>	<b>-</b>	<b>62,582</b>	<b>51,683</b>	<b>(10,899)</b>
<b>TOTAL REVENUES</b>	<b>59,628,158</b>	<b>393,830</b>	<b>60,021,988</b>	<b>69,091,113</b>	<b>9,069,125</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	890,959	-	890,959	889,349	1,610
Grades 1-5	5,416,159	(72,695)	5,343,464	5,315,923	27,541
Grades 6-8	4,304,455	(200,180)	4,104,275	4,100,065	4,210
Grades 9-12	6,176,234	(108,993)	6,067,241	6,057,744	9,497
<b>Total Instruction</b>	<b>16,787,807</b>	<b>(381,868)</b>	<b>16,405,939</b>	<b>16,363,081</b>	<b>42,858</b>
Regular Programs - Home Instruction:					
Salaries of teachers	150,876	20,850	171,726	131,970	39,756
Purchased Prof. - Ed. Services	25,000	17,100	42,100	41,184	916
<b>Total Home Instruction</b>	<b>175,876</b>	<b>37,950</b>	<b>213,826</b>	<b>173,154</b>	<b>40,672</b>
Regular Programs - Undistributed Instruction:					
Purchased Prof. - Ed. Services	682,345	467,400	1,149,745	1,133,582	16,163
Other purchased services	152,500	(10,000)	142,500	111,616	30,884
General supplies	580,062	4,665	584,727	514,357	70,370
Textbooks	39,500	3,875	43,375	41,819	1,556
<b>Total Undistributed Instruction</b>	<b>1,454,407</b>	<b>465,940</b>	<b>1,920,347</b>	<b>1,801,374</b>	<b>118,973</b>
<b>Total - Regular Programs - Instruction</b>	<b>18,418,090</b>	<b>122,022</b>	<b>18,540,112</b>	<b>18,337,609</b>	<b>202,503</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Learning and/or Language Disabilities					
Salaries of teachers	\$ 57,610	\$ 200	\$ 57,810	\$ 57,750	\$ 60
Other salaries for instruction	48,058		48,058	48,058	
Purchased professional - educ services	24,533	(22,000)	2,533		2,533
General supplies	7,000	(1,500)	5,500	3,912	1,588
<b>Total Learning and/or Language Disabilities</b>	<b>137,201</b>	<b>(23,300)</b>	<b>113,901</b>	<b>109,720</b>	<b>4,181</b>
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	493,227	(160,433)	332,794	328,352	4,442
Other salaries for instruction	46,994	900	47,894	47,817	77
Purchased professional - educ services	94,585	119,290	213,875	190,013	23,862
General supplies	10,100	1,500	11,600	7,424	4,176
Textbooks	700		700	473	227
<b>Total Multiple Disabilities</b>	<b>645,606</b>	<b>(38,743)</b>	<b>606,863</b>	<b>574,079</b>	<b>32,784</b>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	3,507,862	(176,464)	3,331,398	3,324,516	6,882
Other salaries for instruction	71,023		71,023	57,669	13,354
Purchased professional education services	931,583	142,434	1,074,017	1,049,275	24,742
General supplies	27,000	200	27,200	24,157	3,043
Textbooks	6,850		6,850	5,396	1,454
<b>Total Resource Room/Resource Center</b>	<b>4,544,318</b>	<b>(33,830)</b>	<b>4,510,488</b>	<b>4,461,013</b>	<b>49,475</b>
Special Educ Instruction: Autism					
Salaries of teachers	224,920	25,000	249,920	248,960	960
Purchased professional - educ services	151,423	100,276	251,699	234,159	17,540
General supplies	10,350		10,350	6,247	4,103
<b>Total Autism</b>	<b>386,693</b>	<b>125,276</b>	<b>511,969</b>	<b>489,366</b>	<b>22,603</b>
Special Educ Instruction: Preschool Disabilities - PT					
Salaries of teachers	73,370		73,370	27,160	46,210
<b>Total Preschool Disabilities - Part-Time</b>	<b>73,370</b>		<b>73,370</b>	<b>27,160</b>	<b>46,210</b>
Special Educ Instruction: Preschool Disabilities - FT					
Salaries of teachers	208,711	117,840	326,551	286,409	40,142
Purchased professional - educ services	270,923	207,350	478,273	474,388	3,885
<b>Total Preschool Disabilities - Full-Time</b>	<b>479,634</b>	<b>325,190</b>	<b>804,824</b>	<b>760,797</b>	<b>44,027</b>
<b>Total Special Education - Instruction</b>	<b>6,266,822</b>	<b>354,593</b>	<b>6,621,415</b>	<b>6,422,135</b>	<b>199,280</b>
Basic Skills/Remedial - Instruction					
Salaries of teachers	582,688	(135,151)	447,537	433,629	13,908
Other salaries for instruction	24,068	2,750	26,818	26,802	16
Purchased professional - educ services	3,400	410	3,810	3,810	
<b>Total Basic Skills/Remedial - Instruction</b>	<b>610,156</b>	<b>(131,991)</b>	<b>478,165</b>	<b>464,241</b>	<b>13,924</b>
Bilingual Education - Instruction					
Salaries of teachers	281,571		281,571	253,881	27,690
General supplies	4,800	(500)	4,300	3,260	1,040
Textbooks	500	500	1,000	523	477
<b>Total Bilingual Instruction- Instruction</b>	<b>286,871</b>		<b>286,871</b>	<b>257,664</b>	<b>29,207</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Vocational Programs - Local - Instruction					
Salaries of teachers	\$ 132,196	\$ -	\$ 132,196	\$ 131,999	\$ 197
General supplies	21,000		21,000	18,662	2,338
<b>Total Vocational Programs- Instruction</b>	<b>153,196</b>		<b>153,196</b>	<b>150,661</b>	<b>2,535</b>
School-Sponsored Cocurricular Act - Inst.					
Salaries	200,143	20,050	220,193	219,019	1,174
Supplies and materials	102,556	2,520	105,076	70,682	34,394
<b>Total School-Sponsored Cocurr. Act. - Inst</b>	<b>302,699</b>	<b>22,570</b>	<b>325,269</b>	<b>289,701</b>	<b>35,568</b>
School-Sponsored Athletics - Inst.					
Salaries	409,371	36,817	446,188	441,931	4,257
Purchased services (300-500)	50,600	700	51,300	43,841	7,459
Supplies and materials	78,550		78,550	77,284	1,266
Transfer to cover deficit (agency funds)	75,000		75,000	75,000	
<b>Total School-Sponsored Athletics - Inst</b>	<b>613,521</b>	<b>37,517</b>	<b>651,038</b>	<b>638,056</b>	<b>12,982</b>
Summer School					
Salaries	155,431	(17,295)	138,136	125,204	12,932
Other Salaries of Instructions	23,147		23,147	21,565	1,582
Purchased Professional & Technical Services	92,000	13,500	105,500	105,118	382
General Supplies	850	(300)	550	537	13
<b>Total Summer School</b>	<b>271,428</b>	<b>(4,095)</b>	<b>267,333</b>	<b>252,424</b>	<b>14,909</b>
Other Supplemental/At-Risk Programs					
Salaries of Teacher Tutors	11,978	850	12,828	11,811	1,017
Salaries of Reading Specialist	126,382		126,382	123,573	2,809
<b>Total Other Supplemental/At-Risk Programs</b>	<b>138,360</b>	<b>850</b>	<b>139,210</b>	<b>135,384</b>	<b>3,826</b>
Undistributed Expenditures - Instruction					
Tuition to other LEA's w/l the state - reg.	97,500	61,572	159,072	154,544	4,528
Tuition to other LEA's w/l the state - spl.	59,500		59,500	59,144	356
Tuition to county voc. school dist. - reg.	245,841	(7,200)	238,641	238,536	105
Tuition to CSSD & reg. day schools	1,187,883	36,840	1,224,723	1,223,506	1,217
Tuition to priv. sch. for the disabled w/i state	1,364,690	179,600	1,544,290	1,542,527	1,763
Tuition to priv. sch. for the disabled out state					
Tuition - state facilities	35,465		35,465	35,465	
Tuition - Other		8,700	8,700	8,688	12
<b>Total Undistributed Expenditures - Instruction</b>	<b>2,990,879</b>	<b>279,512</b>	<b>3,270,391</b>	<b>3,262,410</b>	<b>7,981</b>
Undistributed Expenditures - Attend. and Social Work					
Salaries	75,502	(1,000)	74,502	66,453	8,049
Other Purchased Serv.	1,500	1,000	2,500	2,482	18
<b>Total Undistributed Expenditures - Attendance</b>	<b>77,002</b>		<b>77,002</b>	<b>68,935</b>	<b>8,067</b>
Undistributed Expenditures - Health Services					
Salaries	518,782	3,562	522,344	514,108	8,236
Purchased prof. and technical services	88,000	(15,060)	72,940	67,999	4,941
Supplies and materials	13,600		13,600	11,965	1,635
<b>Total Undistributed Expenditures - Health Svcs.</b>	<b>620,382</b>	<b>(11,498)</b>	<b>608,884</b>	<b>594,072</b>	<b>14,812</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Speech, OT, PT, - Related Services					
Salaries	\$ 727,813	\$ (16,720)	\$ 711,093	\$ 707,436	\$ 3,657
Purchased prof. and educational services	215,000	(48,350)	166,650	161,915	4,735
Supplies and materials	8,900	200	9,100	6,407	2,693
<b>Total Undst. Expend. - Speech, OT, PT. - Rel. Serv.</b>	<b>951,713</b>	<b>(64,870)</b>	<b>886,843</b>	<b>875,758</b>	<b>11,085</b>
Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.					
Salaries	156,137		156,137	154,661	1,476
Purchased prof. and educational services	1,859,906	(196,040)	1,663,866	1,652,850	11,016
<b>Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv.</b>	<b>2,016,043</b>	<b>(196,040)</b>	<b>1,820,003</b>	<b>1,807,511</b>	<b>12,492</b>
Undist. Expend. - Guidance					
Salaries of other professional staff	1,216,617	(19,350)	1,197,267	1,190,422	6,845
Salaries of secretarial and clerical assistants	199,023	36,128	235,151	230,511	4,640
Other purchased prof. and technical services	29,000	(15,000)	14,000	7,036	6,964
Other purchased prof. services	1,100		1,100	608	492
Supplies and materials	26,500		26,500	20,123	6,377
Other objects	1,000		1,000	874	126
<b>Total Undst. Expend. - Guidance</b>	<b>1,473,240</b>	<b>1,778</b>	<b>1,475,018</b>	<b>1,449,574</b>	<b>25,444</b>
Undist. Expend. - Child Study Team					
Salaries of other professional staff	1,023,334	(8,000)	1,015,334	1,012,180	3,154
Salaries of secretarial and clerical assistants	150,373	(1,030)	149,343	149,336	7
Purchased Prof. - Ed Services	100,000	41,100	141,100	140,885	215
Other purchased prof. and technical services	12,000	(6,000)	6,000	6,000	
Other purchased services	1,500	9,000	10,500	9,661	839
Supplies and materials	58,370	(8,750)	49,620	48,620	1,000
Other objects	1,500	1,750	3,250	3,250	
<b>Total Undst. Expend. - Child Study Team</b>	<b>1,347,077</b>	<b>28,070</b>	<b>1,375,147</b>	<b>1,369,932</b>	<b>5,215</b>
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	738,379	29,903	768,282	767,891	391
Salaries of other professional staff	89,511	74,751	164,262	163,279	983
Salaries of secretarial and clerical assistants	50,799	1	50,800	50,800	
Other Salaries	40,567	1,650	42,217	42,202	\$15
Salaries of Facilitators, Math & Literacy	147,970	(35,821)	112,149	112,063	86
Purchased prof. and educational services	235,895	198,950	434,845	434,312	533
Other purchased services (400-500)	26,000	(12,046)	13,954	8,882	5,072
Supplies and materials	229,320	(76,500)	152,820	151,349	1,471
Other Objects	6,000		6,000	3,279	2,721
<b>Total Undst. Expend. - Improvement of Instr. Services</b>	<b>1,564,441</b>	<b>180,888</b>	<b>1,745,329</b>	<b>1,734,057</b>	<b>11,272</b>
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	159,445	700	160,145	160,134	11
Supplies and materials	174,130	242,955	417,085	408,207	8,878
<b>Total Undst. Expend. - Educ. Media Serv./Sch. Library</b>	<b>333,575</b>	<b>243,655</b>	<b>577,230</b>	<b>568,341</b>	<b>8,889</b>
Undist. Expend. - Instructional Staff Training					
Salaries of other professional staff	6,859	5,500	12,359	12,335	24
Purchased prof. and educational services		1,000	1,000	1,000	
Other purchased services (400-500)	36,500	(6,000)	30,500	20,502	9,998
<b>Total Undst. Expend. - Instructional Staff Training</b>	<b>43,359</b>	<b>500</b>	<b>43,859</b>	<b>33,837</b>	<b>10,022</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	\$ 242,065	\$ (15,850)	\$ 226,215	\$ 212,729	\$ 13,486
Legal services	160,000	(24,600)	135,400	135,191	209
Audit fees	33,900		33,900	33,900	
Architectural/Engineering Services	25,000	(400)	24,600	24,525	75
Other purchased professional services	20,540	2,000	22,540	16,707	5,833
Communications / telephone	240,100	(12,000)	228,100	220,753	7,347
BOE Other Purchased Services	1,500		1,500	544	956
Other purchased services (400-500)	58,600	(10,500)	48,100	37,755	10,345
General supplies	19,500	(10,000)	9,500	4,403	5,097
BOE In-House Training/Meeting Supplies	9,000	900	9,900	5,320	4,580
Miscellaneous expenditures	8,500	(400)	8,100	4,035	4,065
BOE Membership Dues and Fees	29,000	(500)	28,500	22,838	5,662
<b>Total Undst. Expend. - Supp. Serv. General Admin.</b>	<b>847,705</b>	<b>(71,350)</b>	<b>776,355</b>	<b>718,700</b>	<b>57,655</b>
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	1,353,848	(30,203)	1,323,645	1,322,980	665
Salaries of secretarial and clerical assistants	586,990	(43,118)	543,872	524,704	19,168
Other purchased services (400-500)	16,450	(4,000)	12,450	226	12,224
Supplies and materials	334,300	(82,784)	251,516	150,172	101,344
Other Objects	22,300		22,300	20,545	1,755
<b>Total Undst. Expend. - Supp. Serv. School Admin.</b>	<b>2,313,888</b>	<b>(160,105)</b>	<b>2,153,783</b>	<b>2,018,627</b>	<b>135,156</b>
Undist. Expend. - Central Services					
Salaries	769,578	18,641	788,219	769,463	18,756
Purchased professional services					
Misc. Purchased services	46,500	800	47,300	42,501	4,799
Supplies and materials	74,700	(8,800)	65,900	45,356	20,544
Miscellaneous Expenditures	5,000		5,000	4,086	914
<b>Total Undst. Expend. - Central Services</b>	<b>895,778</b>	<b>10,641</b>	<b>906,419</b>	<b>861,406</b>	<b>45,013</b>
Undist. Expend. - Admin Info Technology					
Purchased Technical Services	410,302	-	410,302	396,145	14,157
Other purchased services (400-500)	5,500	-	5,500	1,244	4,256
Supplies and materials	290,000	27,304	317,304	316,681	623
<b>Total Undst. Expend. - Admin Info Technology</b>	<b>705,802</b>	<b>27,304</b>	<b>733,106</b>	<b>714,070</b>	<b>19,036</b>
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	502,062	(19,500)	482,562	437,054	45,508
Cleaning, repair, and maintenance services	278,526	54,400	332,926	331,152	1,774
General supplies	200,000	9,000	209,000	208,112	888
<b>Total Undst. Expend. - Required Maint. Sch. Facilities</b>	<b>980,588</b>	<b>43,900</b>	<b>1,024,488</b>	<b>976,318</b>	<b>48,170</b>
Undist. Expend. - Custodial Services					
Salaries of Non-Instructional Aides	162,206	(84,323)	77,883	73,583	4,300
Purchased professional & tech. services	2,239,929	161,000	2,400,929	2,394,420	6,509
Other purchased property services	30,500	(4,100)	26,400	20,675	5,725
Insurance	305,600	(2,500)	303,100	301,775	1,325
General supplies	105,000	(2,700)	102,300	102,160	140
Energy (Natural Gas)	300,000	(79,658)	220,342	211,986	8,356
Energy (Electricity)	1,144,000	(243,842)	900,158	881,963	18,195
<b>Total Undst. Expend. - Custodial Services</b>	<b>4,287,235</b>	<b>(256,123)</b>	<b>4,031,112</b>	<b>3,986,562</b>	<b>44,550</b>
Undist. Expend. - Care & Upkeep of Grounds					
Purchased professional & tech. services	7,500	(7,500)			
Cleaning, repair, and maintenance services	25,000	(10,000)	15,000	14,769	231
General supplies	63,000	(12,000)	51,000	50,722	278
<b>Total Undst. Expend. - Care &amp; Upkeep of Grounds</b>	<b>95,500</b>	<b>(29,500)</b>	<b>66,000</b>	<b>65,491</b>	<b>509</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Security					
Salaries	\$ 203,516	\$ (128,580)	\$ 74,936	\$ 74,809	\$ 127
Purchased professional & tech. services	38,500	134,750	173,250	168,930	4,320
Cleaning, repair, and maintenance services	25,000	(22,000)	3,000	2,078	922
General supplies	20,000	500	20,500	20,045	455
Total Undst. Expend. - Security	<u>287,016</u>	<u>(15,330)</u>	<u>271,686</u>	<u>265,862</u>	<u>5,824</u>
Total Undst. Expend. - Oper. & Maint. of Plant Services	<u>5,650,339</u>	<u>(257,053)</u>	<u>5,393,286</u>	<u>5,294,233</u>	<u>99,053</u>
Undist. Expend. - Student Trans. Services					
Salaries for Non-Instructional Aides	40,670	2,350	43,020	42,648	372
Salaries for pupil trans (bet home & sch) - reg ed.	121,319		121,319	121,250	69
Salaries for pupil trans (bet home & sch) - spl. ed.	423,146	7,550	430,696	424,158	6,538
Salaries for pupil trans (other than bet home & sch)	42,251	8,000	50,251	49,809	442
Cleaning, repair, and maintenance services	37,000	41,400	78,400	78,237	163
Contr. serv. (bet. home & sch.) - vendors	1,455,000	5,800	1,460,800	1,458,362	2,438
Contr. serv. (other than bet. home & sch.) - vendors	93,350	(1,000)	92,350	68,614	23,736
Contr. serv. (sp ed stds) - vendors	306,160	139,500	445,660	442,975	2,685
Contr. serv. (sp ed stds) - joint agreements	50,000	71,800	121,800	121,552	248
Contr. serv. Aid in Lieu Pymts - Non Public	125,000	(35,720)	89,280	86,690	2,590
Misc. purchased services - transportation	3,000		3,000	2,190	810
Supplies and materials	6,500	1,000	7,500	7,436	64
Total Undst. Expend. - Student Trans. Services	<u>2,703,396</u>	<u>240,680</u>	<u>2,944,076</u>	<u>2,903,921</u>	<u>40,155</u>
Regular Programs - Instruction - Employee Benefits					
Social security contributions	360,000	(20,479)	339,521	323,055	16,466
Other retirement contributions - PERS	346,000	29,279	375,279	369,251	6,028
Unemployment Compensation					
Workmen's Compensation	308,500	(2,500)	306,000	305,553	447
Health benefits	7,719,091	(448,182)	7,270,909	7,190,326	80,583
Tuition reimbursement	90,000		90,000	76,479	13,521
Unused Sick Payment to Terminated/Retired Staff					
Other employee benefits	63,536	4,000	67,536	38,427	29,109
Total Regular Programs - Instruction	<u>8,887,127</u>	<u>(437,882)</u>	<u>8,449,245</u>	<u>8,303,091</u>	<u>146,154</u>
Support Services - General Administration - Employee Benefits					
Social security contributions	90,000		90,000	90,000	
Workmen's Compensation		2,019	2,019	2,019	
Health benefits	485,438	(5,200)	480,238	479,837	401
Tuition reimbursement	5,000	6,500	11,500	11,380	120
Unused Sick Payment to Terminated/Retired Staff					
Other employee benefits	38,000	(19)	37,981	15,062	22,919
Total Other Support Services	<u>618,438</u>	<u>3,300</u>	<u>621,738</u>	<u>598,298</u>	<u>23,440</u>
Total Allocated Benefits	<u>9,505,565</u>	<u>(434,582)</u>	<u>9,070,983</u>	<u>8,901,389</u>	<u>169,594</u>
On-behalf TPAF Pension Contributions (non-budgeted)				3,679,947	(3,679,947)
On-behalf TPAF post retirement (non-budgeted)				2,376,799	(2,376,799)
On-behalf TPAF-LTDI (non-budgeted)				3,486	(3,486)
Reimbursed TPAF social security contributions (non-budgeted)				1,987,474	(1,987,474)
Total Undistributed Expenditures - TPAF				<u>8,047,706</u>	<u>(8,047,706)</u>
Total Undistributed Expenditures	<u>\$ 34,040,184</u>	<u>\$ (182,470)</u>	<u>\$ 33,857,714</u>	<u>\$ 41,224,479</u>	<u>\$ (7,366,765)</u>
Total General Current Expense	<u>\$ 61,101,327</u>	<u>\$ 218,996</u>	<u>\$ 61,320,323</u>	<u>\$ 68,172,354</u>	<u>\$ (6,852,031)</u>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Grades 1-5	\$ -	\$ 4,050	\$ 4,050	\$ 3,664	\$ 386
Grades 6-8		2,234	2,234	2,199	35
Grades 9-12	48,000	68,450	116,450	110,255	6,195
General Administration					
Undistributed Expenditures - Required Maint.	396,701	571,858	968,559	932,840	35,719
Undistributed Expenditures - Security	40,603		40,603	40,603	
Undist. Exp. - Non-Instructional - School Buses - Special		78,000	78,000	77,486	514
<b>Total Equipment</b>	<u>485,304</u>	<u>724,592</u>	<u>1,209,896</u>	<u>1,167,047</u>	<u>42,849</u>
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA funding	163,860		163,860	163,860	
<b>Total Facilities Acquisition and Construction Services</b>	<u>163,860</u>		<u>163,860</u>	<u>163,860</u>	
<b>Total Capital Outlay</b>	<u>649,164</u>	<u>724,592</u>	<u>1,373,756</u>	<u>1,330,907</u>	<u>42,849</u>
Transfer of Funds to Charter Schools	10,005	-	10,005	9,197	808
<b>Total Expenditures</b>	<u>61,760,496</u>	<u>943,588</u>	<u>62,704,084</u>	<u>69,512,458</u>	<u>\$ (6,808,374)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(2,132,338)</u>	<u>(549,758)</u>	<u>(2,682,096)</u>	<u>(421,345)</u>	<u>2,260,751</u>
Other Financing Sources(Uses):					
Operating transfer in - Capital Projects Fund				3,404	3,404
<b>Total Other Financing Sources</b>				<u>3,404</u>	<u>3,404</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(2,132,338)</u>	<u>(549,758)</u>	<u>(2,682,096)</u>	<u>(417,941)</u>	<u>2,264,155</u>
Fund Balance, July 1	6,404,259		6,404,259	6,404,259	
Fund Balance, June 30	<u>\$ 4,271,921</u>	<u>\$ (549,758)</u>	<u>\$ 3,722,163</u>	<u>\$ 5,986,318</u>	<u>\$ 2,264,155</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Maintenance Reserve				\$ 1,446,000	
Capital Reserve Account				1,852,716	
Assigned Fund Balance:					
Year-end Encumbrances					
Designated for Subsequent Year's Expenditures				1,282,974	
Unassigned Fund Balance				<u>1,404,628</u>	
				5,986,318	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(1,721,156)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,265,162</u>	

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

**BURLINGTON SCHOOL DISTRICT  
Budgetary Comparison Schedule  
Special Revenue Fund  
Fiscal Year Ended June 30, 2018**

	<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	\$ 49,058	\$ -	\$ 49,058	\$ 33,293	\$ (15,765)
State sources	28,442		28,442	28,442	
Federal sources	<u>1,391,257</u>	<u>4,527</u>	<u>1,395,784</u>	<u>1,380,328</u>	<u>(15,456)</u>
Total revenues	<u>1,468,757</u>	<u>4,527</u>	<u>1,473,284</u>	<u>1,442,063</u>	<u>(31,221)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	347,772	(19,735)	328,037	318,611	9,426
Purchased professional services	22,000	(1,055)	20,945	20,254	691
Purchased professional - tech. services	28,551	-	28,551	28,551	
Tuition	831,130	-	831,130	831,130	
General supplies	120,017	22,439	142,456	125,760	16,696
Textbooks	<u>5,478</u>		<u>5,478</u>	<u>5,478</u>	
Total instruction	<u>1,354,948</u>	<u>1,649</u>	<u>1,356,597</u>	<u>1,329,784</u>	<u>26,813</u>
Support services:					
Salaries	9,175		9,175	9,175	
Personal services - employee benefits	51,458	3,359	54,817	50,910	3,907
Purchased professional - educ. services	22,964		22,964	22,964	
Purchased professional - tech. services	3,000	(407)	2,593	2,593	
Other purchases services	6,184	(74)	6,110	6,110	
General supplies	<u>11,080</u>		<u>11,080</u>	<u>10,579</u>	<u>501</u>
Total support services	<u>103,861</u>	<u>2,878</u>	<u>106,739</u>	<u>102,331</u>	<u>4,408</u>
Facilities acquisition and construction services:					
Instructional equipment	9,948		9,948	9,948	
Noninstructional equipment					
Total facilities acq. and const. services	<u>9,948</u>		<u>9,948</u>	<u>9,948</u>	
Total expenditures	<u>1,468,757</u>	<u>4,527</u>	<u>1,473,284</u>	<u>1,442,063</u>	<u>31,221</u>
Total outflows	<u>1,468,757</u>	<u>4,527</u>	<u>1,473,284</u>	<u>1,442,063</u>	<u>31,221</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Burlington Township School District  
Notes to Required Supplementary Information  
Budgetary Comparison**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 69,091,113	\$ 1,442,063
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,736,558	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,721,156)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 69,106,515	\$ 1,442,063
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 69,512,458	\$ 1,442,063
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	\$ 69,512,458	\$ 1,442,063

**Required Supplementary Information - Part III**  
**Schedules Related to Accounting and Reporting**  
**For Pensions and**  
**Other Post Employment Benefits**

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

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0354646385%	0.0357718493%	0.0359487690%	0.0465927608%	0.0493936415%
District's proportionate share of the net pension liability (asset)	\$ 8,255,601	\$ 10,594,596	\$ 8,069,778	\$ 8,723,439	\$ 9,440,106
District's covered-employee payroll	2,428,858	2,399,955	2,400,251	2,432,574	2,428,688
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	339.90%	441.45%	336.21%	358.61%	388.69%
Plan fiduciary net position as a percentage of the total pension liability	36.78%	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.



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Contributions**  
**Public Employees Retirement System**  
**Last Five Fiscal Years**

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 349,833	\$ 331,074	\$ 317,792	\$ 309,063	\$ 384,104
Contributions in relation to the contractually required contributions	<u>(349,833)</u>	<u>(331,074)</u>	<u>(317,792)</u>	<u>(309,063)</u>	<u>(384,104)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	2,428,858	2,399,955	2,400,251	2,432,574	2,428,688
Contributions as a percentage of covered-employee payroll	14.40%	13.80%	13.24%	12.71%	15.82%

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

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

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.2442348240%	0.2417216061%	0.2451435951%	0.2468446315%	0.2392690707%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 164,671,925</u>	<u>\$ 190,153,606</u>	<u>\$ 154,941,220</u>	<u>\$ 131,930,422</u>	<u>\$ 120,924,706</u>
Total	<u>\$ 164,671,925</u>	<u>\$ 190,153,606</u>	<u>\$ 154,941,220</u>	<u>\$ 131,930,422</u>	<u>\$ 120,924,706</u>
District's covered-employee payroll	27,127,442	25,865,375	24,975,921	24,681,882	24,642,454
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%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	25.41%	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.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District**  
**and Changes in the Total OPEB Liability and Related Ratios**  
**Public Employee's Retirement System and Teachers' Pension and Annuity Fund**  
**Current Fiscal Year**

	<u>June 30, 2018</u>
State's proportion of the net OPEB liability (asset) associated with the District	0.22%
District's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 115,801,625
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 115,801,625</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%
	<u>June 30, 2018</u>
<b>Total OPEB Liability</b>	
Service Cost	\$ 5,443,504
Interest	3,681,243
Changes of assumptions and other inputs	(15,745,241)
Member Contributions	98,766
Benefit payments	<u>(2,682,211)</u>
<b>Net Change in total OPEB Liability</b>	<b>\$ (9,203,939)</b>
<b>Total OPEB Liability - beginning</b>	<b>\$ 125,005,564</b>
<b>Total OPEB Liability - ending</b>	<b><u>\$ 115,801,625</u></b>
District's covered-employee payroll	29,556,300
Total OPEB Liability as a percentage of covered-employee payroll	391.80%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

**Burlington Township School District  
Notes to Required Supplementary Information  
For the Fiscal Year Ended June 30, 2018**

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

**3. Other Post-Retirement Plan – Public Employees' Retirement System and Teachers' Pension and Annuity Fund**

*Changes of benefit term:* There were none.

*Changes of assumptions:* The discount rate changed from 2.85% as of June 30, 2016 to 3.85% as of June 30, 2017.

**Other Supplementary Information**

**Special Revenue Fund  
Detail Statements**

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Statement of Revenues and Expenditures**  
**Budgetary Basis**  
**for the Fiscal Year Ended June 30, 2018**

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Totals
<b>REVENUES:</b>			
Local sources	\$ 277	\$ 33,016	\$ 33,293
State sources		28,442	28,442
Federal sources	1,380,328		1,380,328
<b>Total Revenues</b>	<b>1,380,605</b>	<b>61,458</b>	<b>1,442,063</b>
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of teachers	318,611		318,611
Professional education services	20,254		20,254
Purchased professional and technical services	28,551		28,551
Tuition	831,130		831,130
Textbook		5,478	5,478
General supplies	100,106	25,654	125,760
<b>Total instruction</b>	<b>1,298,652</b>	<b>31,132</b>	<b>1,329,784</b>
Support services:			
Salaries	9,175		9,175
Personal services-employee benefits	50,910		50,910
Purchased professional and technical services	2,593		2,593
Purchased professional and educational services		22,964	22,964
Other purchased services	6,110		6,110
Supplies	3,217	7,362	10,579
<b>Total support services</b>	<b>72,005</b>	<b>30,326</b>	<b>102,331</b>
Facilities acquisition and const. serv.:			
Instructional equipment	9,948		9,948
Non-Instructional equipment			
<b>Total facilities acquisition and const. serv.</b>	<b>9,948</b>		<b>9,948</b>
<b>Total Expenditures</b>	<b>1,380,605</b>	<b>61,458</b>	<b>1,442,063</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

BURLINGTON TOWNSHIP SCHOOL DISTRICT  
Special Revenue Fund  
Combining Statement of Revenues and Expenditures  
Budgetary Basis  
for the Fiscal Year Ended June 30, 2018

E-18

	E.S.E.A. as amended by No Child Left Behind (N.C.L.B.)					Individuals with Disabilities Act (IDEA)		Perkins Grant	Temporary Emergency Impact Aid for Displaced Student	Mission One	Carried Forward (Ex. E-1A)
	Title I	Title IIA	Title III	Title III - Immigrant	Title IV	Basic	Preschool				
<b>REVENUES:</b>											
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 277	\$ 277
State sources											
Federal sources	355,475	85,299	38,069	8,085	10,000	831,130	28,551	21,594	2,125		1,380,328
<b>Total Revenues</b>	<u>355,475</u>	<u>85,299</u>	<u>38,069</u>	<u>8,085</u>	<u>10,000</u>	<u>831,130</u>	<u>28,551</u>	<u>21,594</u>	<u>2,125</u>	<u>277</u>	<u>1,380,605</u>
<b>EXPENDITURES:</b>											
Instruction:											
Salaries of teachers	242,328	61,898	14,385								
Purchased professional and technical services											318,611
Purchased professional services	20,254						28,551				28,551
Tuition											20,254
Textbooks						831,130					831,130
General supplies	58,389		20,104		10,000			9,211	2,125	277	100,106
<b>Total instruction</b>	<u>320,971</u>	<u>61,898</u>	<u>34,489</u>		<u>10,000</u>	<u>831,130</u>	<u>28,551</u>	<u>9,211</u>	<u>2,125</u>	<u>277</u>	<u>1,298,652</u>
Support services:											
Salaries		8,095									
Personal services-employee benefits	34,504	15,306	1,100					1,080			9,175
Purchased professional and technical services			1,000	1,593							50,910
Purchased professional and educational services											2,593
Other purchased services			1,480	3,275				1,355			6,110
Supplies				3,217							3,217
<b>Total support services</b>	<u>34,504</u>	<u>23,401</u>	<u>3,580</u>	<u>8,085</u>				<u>2,435</u>			<u>72,005</u>
Facilities acquisition and const. serv.:											
Instructional equipment											
Non-instructional equipment								9,948			9,948
<b>Total facilities acquisition and const. serv.:</b>								<u>9,948</u>			<u>9,948</u>
<b>Total Expenditures</b>	<u>355,475</u>	<u>85,299</u>	<u>38,069</u>	<u>8,085</u>	<u>10,000</u>	<u>831,130</u>	<u>28,551</u>	<u>21,594</u>	<u>2,125</u>	<u>277</u>	<u>1,380,605</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



BURLINGTON TOWNSHIP SCHOOL DISTRICT  
Special Revenue Fund  
Combining Statement of Revenues and Expenditures  
Budgetary Basis  
for the Fiscal Year Ended June 30, 2018

E-1C

	Nonpublic Textbook	Nonpublic Technology	Nonpublic Security	Nonpublic Nursing	Community Day Freshman First	College Board Rebate Grant	Foundation YSFA	Safety Grant	Totals
<b>REVENUES:</b>									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 59	\$ 250	\$ 25,345	\$ 7,362	\$ 33,016
State sources	5,478	3,700	8,400	10,864					28,442
Federal sources									
<b>Total Revenues</b>	<b>5,478</b>	<b>3,700</b>	<b>8,400</b>	<b>10,864</b>	<b>59</b>	<b>250</b>	<b>25,345</b>	<b>7,362</b>	<b>61,458</b>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of teachers									-
Professional education services									-
Purchased professional and technical services									-
Tuition									-
Textbooks	5,478								5,478
General supplies					59	250	25,345		25,654
<b>Total instruction</b>	<b>5,478</b>				<b>59</b>	<b>250</b>	<b>25,345</b>		<b>31,132</b>
Support services:									
Salaries									-
Personal services-employee benefits									-
Purchased professional and educational services		3,700	8,400	10,864					22,964
Purchased professional and technical services									-
Supplies								7,362	7,362
<b>Total support services</b>		<b>3,700</b>	<b>8,400</b>	<b>10,864</b>				<b>7,362</b>	<b>30,326</b>
Facilities acquisition and const. serv.:									
Instructional equipment									
Non-instructional equipment									
<b>Total facilities acquisition and const. serv.:</b>									
<b>Total Expenditures</b>	<b>5,478</b>	<b>3,700</b>	<b>8,400</b>	<b>10,864</b>	<b>59</b>	<b>250</b>	<b>25,345</b>	<b>7,362</b>	<b>61,458</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Capital Projects Fund  
Detail Statements**

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budgetary Basis**  
**For the Fiscal Year ended June 30, 2018**

**Revenues and Other Financing Sources:**

Interest	\$ 39,268
Serial Bond Proceeds	-
Total revenues and other financing sources	<u>39,268</u>

**Expenditures and Other Financing (Uses):**

Purchased professional services	530,326
Construction services	4,574,081
Transfer to Debt Service Fund	39,268
Transfer to Capital Reserve	3,404
Total expenditures and other financing (uses)	<u>5,147,079</u>

Excess (deficiency) or revenues over (under) expenditures (5,107,811)

Fund Balance - July 1, 2017 7,751,675

Fund Balance - June 30, 2018 \$ 2,643,864

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**High School - Security System**  
**From Inception and for the Fiscal Year ended June 30, 2018**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 77,480	\$ -	\$ 77,480	\$ 77,480
Transfer from capital reserve	136,197		136,197	136,197
<b>Total revenues</b>	<b>213,677</b>		<b>213,677</b>	<b>213,677</b>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	36,694		36,694	36,694
Construction services	173,579		173,579	173,579
Transfer to Capital Reserve		3,404	3,404	3,404
	<b>210,273</b>	<b>3,404</b>	<b>213,677</b>	<b>213,677</b>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<b>\$ 3,404</b>	<b>\$ (3,404)</b>	<b>\$ -</b>	<b>\$ -</b>

**Additional project information:**

Project Number	#0620-010-09-1001
Grant Date	10/13/10
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 168,002
Additional Authorized Cost	\$ 45,675
Revised Authorized Cost	\$ 213,677
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original target completion date	12/31/11
Revised target completion date	12/31/14

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**High School - Mechanical and Electrical Upgrades, Security System, Window Replacements**  
**From Inception and for the Fiscal Year ended June 30, 2018**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 809,471	\$ -	\$ 809,471	\$ 809,471
Transfer from capital reserve	1,795,591		1,795,591	1,795,591
<b>Total revenues</b>	<b>2,605,062</b>		<b>2,605,062</b>	<b>2,605,062</b>
 <b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	161,833		161,833	161,833
Construction services	2,421,161		2,421,161	2,421,161
	<b>2,582,994</b>		<b>2,582,994</b>	<b>2,582,994</b>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<b>\$ 22,068</b>	<b>\$ -</b>	<b>\$ 22,068</b>	<b>\$ 22,068</b>

**Additional project information:**

Project Number	#0620-010-14-1001	
Grant Date	06/20/14	
Bond Authorization Date	N/A	
Bonds Authorized	N/A	
Bonds Issued	N/A	
Original Authorized Cost	\$ 1,634,562	
Additional Authorized Cost	\$ 970,500	
Revised Authorized Cost	\$ 2,605,062	
Percentage Increase over Original Authorized Cost		5.00%
Percentage Completion		0.00%
Original target completion date		12/31/15
Revised target completion date		N/A

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Hopkins School - Mechanical Upgrades, Security Upgrades, Window Replacements, Communications**  
**From Inception and for the Fiscal Year ended June 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 246,036	\$ -	\$ 246,036	\$ 246,036
Transfer from capital reserve	250,784		250,784	250,784
<b>Total revenues</b>	<u>496,820</u>		<u>496,820</u>	<u>496,820</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	61,755		61,755	61,755
Construction services	246,990		246,990	246,990
	<u>308,745</u>		<u>308,745</u>	<u>308,745</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<u>\$ 188,075</u>	<u>\$ -</u>	<u>\$ 188,075</u>	<u>\$ 188,075</u>

**Additional project information:**

Project Number	#0620-025-14-1002
Grant Date	05/02/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 496,820
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 496,820
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	10.00%
Original target completion date	12/31/15
Revised target completion date	N/A

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**BTMS @ Springside School - Security Upgrades and Communications**  
**From Inception and for the Fiscal Year ended June 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 97,064	\$ -	\$ 97,064	\$ 97,064
Transfer from capital reserve	98,936		98,936	98,936
Total revenues	196,000		196,000	196,000
 <b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	14,450		14,450	14,450
Construction services				
	14,450		14,450	14,450
Excess (deficiency) or revenues over (under) expenditures	\$ 181,550	\$ -	\$ 181,550	\$ 181,550

**Additional project information:**

Project Number	#0620-051-14-1005
Grant Date	05/02/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 196,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 196,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	5.00%
Original target completion date	12/31/15
Revised target completion date	N/A

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Fountain Woods School - Security Upgrades and Communications**  
**From Inception and for the Fiscal Year ended June 30, 2018**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 74,283	\$ -	\$ 74,283	\$ 74,283
Transfer from capital reserve	75,717		75,717	75,717
<b>Total revenues</b>	<b>150,000</b>		<b>150,000</b>	<b>150,000</b>
 <b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	11,475		11,475	11,475
Construction services				
	<b>11,475</b>		<b>11,475</b>	<b>11,475</b>
 Excess (deficiency) or revenues over (under) expenditures	<b>\$ 138,525</b>	<b>\$ -</b>	<b>\$ 138,525</b>	<b>\$ 138,525</b>

**Additional project information:**

Project Number	#0620-037-14-1004
Grant Date	05/02/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 150,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 150,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	5.00%
Original target completion date	12/31/15
Revised target completion date	N/A



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**B. Bernice Young School - Exterior Closure and HVAC**  
**From Inception and for the Fiscal Year ended June 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 1,104,619	\$ -	\$ 1,104,619	\$ 1,104,619
Transfer from capital reserve	1,125,934		1,125,934	1,125,934
<b>Total revenues</b>	<u>2,230,553</u>	<u>                    </u>	<u>2,230,553</u>	<u>2,230,553</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	203,488		203,488	203,488
Construction services	1,973,006	6,096	1,979,102	1,979,102
	<u>2,176,494</u>	<u>6,096</u>	<u>2,182,590</u>	<u>2,182,590</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<u>\$ 54,059</u>	<u>\$ (6,096)</u>	<u>\$ 47,963</u>	<u>\$ 47,963</u>
<b>Additional project information:</b>				
Project Number	#0620-030-14-1003			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 2,230,553			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 2,230,553			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Various Improvements to School Facilities**  
**From Inception and for the Fiscal Year ended June 30, 2018**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
Bond Proceeds	\$ 10,114,000	\$ -	\$ 10,114,000	\$ 10,114,000
Total revenues	<u>10,114,000</u>	<u>                    </u>	<u>10,114,000</u>	<u>10,114,000</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	846,051	530,326	1,376,377	1,376,377
Construction services	2,103,955	4,567,985	6,671,940	6,671,940
	<u>2,950,006</u>	<u>5,098,311</u>	<u>8,048,317</u>	<u>8,048,317</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 7,163,994</u>	<u>\$ (5,098,311)</u>	<u>\$ 2,065,683</u>	<u>\$ 2,065,683</u>
<b>Additional project information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	12/08/15			
Bonds Authorized	\$ 10,114,000			
Bonds Issued	N/A			
Original Authorized Cost	\$ 10,114,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 10,114,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
 Summary Statement of Project Expenditures  
 Year Ended June 30, 2018

Issue/Project Title	Original Date	Appropriations	Expenditures to Date		Transfer to Capital Reserve	Unexpended Balance
			Prior Years	Current Year		
High School - Security System	10/13/10	\$ 213,677	\$ 210,273	\$ -	\$ 3,404	\$ -
High School - Mechanical and Electrical Upgrades Security System and Windows	6/20/14	2,605,062	2,582,994			22,068
Hopkins School - Mechanical Upgrades, Security Upgrades Windows and Communications	5/2/14	496,820	308,745			188,075
BTMS @ Springside School - Security Upgrades and Communications	5/2/14	196,000	14,450			181,550
Fountain Woods - Security Upgrades and Communications	5/2/14	150,000	11,475			138,525
Young School - Exterior Closure and HVAC	5/2/14	2,230,553	2,176,494	6,096		47,963
Various Improvements to School Facilities	12/8/15	10,114,000	2,950,006	5,098,311		2,065,683
Total		<u>\$ 16,006,112</u>	<u>\$ 8,254,437</u>	<u>\$ 5,104,407</u>	<u>\$ 3,404</u>	<u>\$ 2,643,864</u>

**Proprietary Funds  
Detail Statements**

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Net Position**  
**as of June 30, 2018**

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 156,572	\$ 65,114	\$ 221,686
Accounts receivable:			
State	1,003	-	1,003
Federal	35,172	-	35,172
Other	136,993	585	137,578
Interfund	64,496	3,130	67,626
Inventories	31,967	-	31,967
Total current assets	<u>426,203</u>	<u>68,829</u>	<u>495,032</u>
Fixed assets:			
Buildings and Improvements	2,875,568	-	2,875,568
Equipment	706,722	-	706,722
Total Fixed Assets	<u>3,582,290</u>	<u>-</u>	<u>3,582,290</u>
Less Accumulated depreciation	<u>(573,091)</u>	<u>-</u>	<u>(573,091)</u>
Total fixed assets	<u>3,009,199</u>	<u>-</u>	<u>3,009,199</u>
Total assets	<u>\$ 3,435,402</u>	<u>\$ 68,829</u>	<u>\$ 3,504,231</u>
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Unearned Revenue	25,194	-	25,194
Interfund payable	371,969	-	371,969
Total current liabilities	<u>397,163</u>	<u>-</u>	<u>397,163</u>
<b>NET POSITION:</b>			
Net investment in capital assets	3,009,199	-	3,009,199
Unrestricted	<u>29,040</u>	<u>68,829</u>	<u>97,869</u>
Total net position	<u>\$ 3,038,239</u>	<u>\$ 68,829</u>	<u>\$ 3,107,068</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Revenues, Expenses and Changes in Net Position  
for the Fiscal Years ended June 30, 2018

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Local sources:			
Daily sales-reimbursable programs	\$ 501,356	\$ -	\$ 501,356
Total reimbursable programs	501,356	-	501,356
Daily sales-non-reimbursable programs	192,963	-	192,963
Special functions	25,785	-	25,785
Rentals	-	30,970	30,970
Total non-reimbursable programs	218,748	30,970	249,718
Total operating revenue	<u>720,104</u>	<u>30,970</u>	<u>751,074</u>
<b>OPERATING EXPENSES:</b>			
Salaries and Wages	504,127	22,893	527,020
Employee Benefits	112,362	-	112,362
Direct expenses	4,921	-	4,921
Repairs and maintenance	-	-	-
Supplies and materials	34,168	20,911	55,079
Depreciation	56,460	-	56,460
Management fee	26,393	-	26,393
Cost of Sales - reimbursable programs	419,738	-	419,738
Cost of Sales - nonreimbursable programs	183,137	-	183,137
Other	12,045	9,765	21,810
Total operating expenses	<u>1,353,351</u>	<u>53,569</u>	<u>1,406,920</u>
Operating income (loss)	<u>(633,247)</u>	<u>(22,599)</u>	<u>(655,846)</u>
<b>Non-operating revenues:</b>			
State sources:			
State School Lunch Program	15,193	-	15,193
Federal sources:			
National School Lunch Program	438,441	-	438,441
National School Breakfast Program	79,730	-	79,730
U.S.D.A. commodities	68,544	-	68,544
Contributed Capital	2,743,815	-	2,743,815
Interest revenue	2,045	797	2,842
Total non-operating revenues	<u>3,347,768</u>	<u>797</u>	<u>3,348,565</u>
Net Income (loss)	2,714,521	(21,802)	2,692,719
Net position - July 1	<u>323,718</u>	<u>90,631</u>	<u>414,349</u>
Net position - June 30	<u>\$ 3,038,239</u>	<u>\$ 68,829</u>	<u>\$ 3,107,068</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Cash Flows**  
for the Fiscal Year ended June 30, 2018

	<u>Food Service</u>	<u>Performing Arts Center</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>			
Cash receipts from customers	\$ 876,715	\$ 31,385	\$ 908,100
Cash payments to employees for services	(710,229)	(22,893)	(733,122)
Cash payments to suppliers for goods and services	<u>(683,628)</u>	<u>(30,676)</u>	<u>(714,304)</u>
Net cash used by operating activities	<u>(517,142)</u>	<u>(22,184)</u>	<u>(539,326)</u>
<b>Cash flows from noncapital financing activities:</b>			
Cash received from state and federal reimbursements	<u>529,949</u>	<u>-</u>	<u>529,949</u>
Net cash provided by noncapital financing activities	<u>529,949</u>	<u>-</u>	<u>529,949</u>
<b>Cash flows from capital financing activities:</b>			
Purchases of fixed assets	<u>-</u>	<u>-</u>	<u>-</u>
Net cash used by capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities:</b>			
Interest on investments	<u>2,045</u>	<u>797</u>	<u>2,842</u>
Net cash provided by investing activities	<u>2,045</u>	<u>797</u>	<u>2,842</u>
Net increase (decrease) in cash and cash equivalents	14,852	(21,387)	(6,535)
Cash and cash equivalents, July 1	<u>141,720</u>	<u>86,501</u>	<u>228,221</u>
Cash and cash equivalents, June 30	<u>\$ 156,572</u>	<u>\$ 65,114</u>	<u>\$ 221,686</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ (633,247)	\$ (22,599)	\$ (655,846)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	56,460	-	56,460
Federal commodities	68,544	-	68,544
Change in assets and liabilities:			
(Increase)/decrease in inventory	1,248	-	1,248
(Increase)/decrease in accounts receivable	(8,282)	415	(7,867)
Increase/(decrease) in Unearned Revenue	<u>(1,865)</u>	<u>-</u>	<u>(1,865)</u>
Net cash used by operating activities	<u>\$ (517,142)</u>	<u>\$ (22,184)</u>	<u>\$ (539,326)</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
**Statement of Net Position**  
**as of June 30, 2018**

	<b>Governmental                      Activites -                      Internal Service                      Technology                      Service</b>
<b>ASSETS:</b>	
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable:	
Intergovernmental	-
	-
Total current assets	-
<b>Total assets</b>	\$ -
<b>LIABILITIES:</b>	
Current liabilities:	
Interfund payable	\$ -
Total current liabilities	-
<b>NET POSITION:</b>	
Unrestricted	-
Total net position	\$ -



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
Statement of Revenues, Expenses and Changes in Net Position  
for the Fiscal Years ended June 30, 2018

	<u>Governmental Activites - Internal Service Technology Service</u>
<b>OPERATING REVENUES:</b>	
Local sources:	
Shared Service Agreements	\$ 478,208
Total operating revenue	<u>478,208</u>
<b>OPERATING EXPENSES:</b>	
Technology Services	<u>478,208</u>
Total operating expenses	<u>478,208</u>
Operating income (loss)	<u>-</u>
Net Income (loss)	-
Net position - July 1	<u>-</u>
Net position - June 30	<u><u>\$ -</u></u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
**Statement of Cash Flows**  
for the Fiscal Year ended June 30, 2018

	<u>Governmental Activites - Internal Service Technology Service</u>
Cash flows from operating activities:	
Cash receipts from customers	\$ 478,208
Cash payments to suppliers for goods and services	<u>(478,208)</u>
Net cash used by operating activities	<u>-</u>
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents, July 1	<u>-</u>
Cash and cash equivalents, June 30	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ -
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:	
Change in assets and liabilities:	
(Increase)/decrease in accounts receivable	36,682
Increase/(decrease) in interfund payable	<u>(36,682)</u>
Net cash used by operating activities	<u>\$ -</u>

Fiduciary Funds  
Detail Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Fiduciary Funds**  
Combining Statement of Net Position  
June 30, 2018

	Agency Funds			Employee Benefit Trust Funds	Total
	Student Activity	Other Trust	Payroll	Unemployment Compensation Insurance Fund	
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 517,388	\$ (16,559)	\$ 297,114	\$ 674,845	\$ 1,472,788
Interfund receivable		58,005			58,005
<b>TOTAL ASSETS</b>	<b>\$ 517,388</b>	<b>\$ 41,446</b>	<b>\$ 297,114</b>	<b>\$ 674,845</b>	<b>\$ 1,530,793</b>
<b>LIABILITIES</b>					
<b>LIABILITIES:</b>					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable				151	151
Payroll deductions and withholdings			286,995		286,995
Interfund payable			10,119		10,119
Other trust liabilities		41,446			41,446
Due to student groups	517,388				517,388
<b>Total liabilities</b>	<b>517,388</b>	<b>41,446</b>	<b>297,114</b>	<b>151</b>	<b>856,099</b>
<b>NET POSITION</b>					
Reserved for unemployment claims and other purposes				674,694	674,694
<b>Total net position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 674,694</b>	<b>\$ 674,694</b>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Fiduciary Fund**  
 Comparative Statement of Changes in Fiduciary Net Position  
 for the Fiscal Year ended June 30, 2018

	Trust Funds Unemployment Compensation Insurance Fund	Total
<b>REVENUES:</b>		
Local sources:		
Employee contributions	\$ 48,689	\$ 48,689
Interest on Investments	7,104	7,104
<b>Total Revenues</b>	<b>55,793</b>	<b>55,793</b>
 <b>EXPENDITURES:</b>		
Current Expense:		
Undistributed Expenditures:		
Unemployment claims	10,005	10,005
<b>Total Expenditures</b>	<b>10,005</b>	<b>10,005</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>45,788</b>	<b>45,788</b>
<b>Net Position July 1</b>	<b>628,906</b>	<b>628,906</b>
<b>Net Position June 30</b>	<b>\$ 674,694</b>	<b>\$ 674,694</b>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Student Activity Agency Fund**  
 Schedule of Receipts and Disbursements  
 for the Fiscal Year ended June 30, 2018

	Balance June 30, 2017	Cash Receipts	Cash Disbursements	Balance June 30, 2018
Elementary Schools:				
Fountain Woods	\$ 36,222	\$ 24,881	\$ 24,688	\$ 36,415
Renaissance	5,810	30,894	25,648	11,056
Young School	6,265	10,575	7,697	9,143
Young School PBSIS		1,201	159	1,042
<b>Total Elementary Schools</b>	<b>48,297</b>	<b>67,551</b>	<b>58,192</b>	<b>57,656</b>
Middle Schools:				
Hopkins Middle School	71,713	160,438	148,934	83,217
<b>Total Middle Schools</b>	<b>71,713</b>	<b>160,438</b>	<b>148,934</b>	<b>83,217</b>
High School:				
High School	426,351	772,661	822,497	376,515
<b>Total High School</b>	<b>426,351</b>	<b>772,661</b>	<b>822,497</b>	<b>376,515</b>
<b>Total</b>	<b>\$ 546,361</b>	<b>\$ 1,000,650</b>	<b>\$ 1,029,623</b>	<b>\$ 517,388</b>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Payroll Agency Fund**  
 Schedule of Receipts and Disbursements  
 for the Fiscal Year ended June 30, 2018

	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 294,784	\$ 35,939,735	\$ 35,937,405	\$ 297,114
Total assets	<u>\$ 294,784</u>	<u>\$ 35,939,735</u>	<u>\$ 35,937,405</u>	<u>\$ 297,114</u>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 289,805	\$ 16,454,157	\$ 16,456,967	\$ 286,995
Net payroll		19,478,335	19,478,335	
Interfund payable	<u>4,979</u>	<u>7,243</u>	<u>2,103</u>	<u>10,119</u>
Total liabilities	<u>\$ 294,784</u>	<u>\$ 35,939,735</u>	<u>\$ 35,937,405</u>	<u>\$ 297,114</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Other Trust Agency Fund**  
 Schedule of Receipts and Disbursements  
 for the Fiscal Year ended June 30, 2018

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	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
<b>ASSETS:</b>				
Cash and cash equivalents				
Interfund receivable	\$ 59,878	\$ 706	\$ 2,579	\$ 58,005
<b>Total assets</b>	<u>\$ 59,878</u>	<u>\$ 706</u>	<u>\$ 2,579</u>	<u>\$ 58,005</u>
<b>LIABILITIES:</b>				
Cash overdraft	15,853	706		16,559
Other trust agency liabilities	<u>44,025</u>		<u>2,579</u>	<u>41,446</u>
<b>Total liabilities</b>	<u>\$ 59,878</u>	<u>\$ 706</u>	<u>\$ 2,579</u>	<u>\$ 58,005</u>



**Long-Term Debt Schedules**

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
**Statement of Serial Bonds**  
 June 30, 2018

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2017	Issued	Retired	Balance June 30, 2018
			Date	Amount					
Refunding Bonds	4/1/2012	\$ 13,795,000	07/15/18	\$ 1,290,000	3.75%	\$ 11,260,000	\$ -	\$ 1,245,000	\$ 10,015,000
			07/15/19	1,335,000	5.00%				
			07/15/20	1,385,000	5.00%				
			07/15/21	1,430,000	4.00%				
			07/15/22	1,485,000	4.50%				
			07/15/23	1,540,000	4.50%				
			07/15/24	1,550,000	4.40%				
Refunding Bonds	10/3/2013	13,325,000	01/15/19	205,000	2.00%	6,175,000		2,420,000	3,755,000
			01/15/19	2,000,000	5.00%				
			01/15/20	1,550,000	5.00%				
Balance Forward						\$ 17,435,000	\$ -	\$ 3,665,000	\$ 13,770,000

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
 Statement of Serial Bonds  
 June 30, 2018

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2017	Issued	Retired	Balance June 30, 2018
			Date	Amount					
Balance Brought Forward						\$ 17,435,000	\$ -	\$ 3,665,000	\$ 13,770,000
2016 School Bonds	7/15/2016	\$10,114,000	7/15/2018	\$ 600,000	1.000%	10,114,000			10,114,000
			7/15/2019	1,200,000	1.000%				
			7/15/2020	1,200,000	1.250%				
			7/15/2021	1,200,000	1.500%				
			7/15/2022	1,180,000	1.750%				
			7/15/2023	1,155,000	2.000%				
			7/15/2024	1,180,000	2.000%				
			7/15/2025	1,200,000	2.000%				
			7/15/2026	1,199,000	2.000%				
Total						<u>\$ 27,549,000</u>	<u>\$ -</u>	<u>\$ 3,665,000</u>	<u>\$ 23,884,000</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**Fiscal Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 3,564,151	\$ -	\$ 3,564,151	\$ 3,564,151	\$ -
Miscellaneous					
Total revenues - local sources	<u>3,564,151</u>		<u>3,564,151</u>	<u>3,564,151</u>	
State sources:					
Debt service aid type II	1,081,276		1,081,276	1,081,276	
Total revenues - state sources	<u>1,081,276</u>		<u>1,081,276</u>	<u>1,081,276</u>	
Total Revenues	<u>4,645,427</u>		<u>4,645,427</u>	<u>4,645,427</u>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest on bonds	994,297		994,297	994,297	
Redemption of principal	3,665,000		3,665,000	3,665,000	
Expenses of refunding bonds					
Total Expenditures	<u>4,659,297</u>		<u>4,659,297</u>	<u>4,659,297</u>	
Excess (Deficiency) of revenues over (under) expenditures	(13,870)		(13,870)	(13,870)	
Other Financing Sources and (Uses):					
Transfer from Capital Projects				39,268	39,268
Total Other Financing Sources				<u>39,268</u>	<u>39,268</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(13,870)		(13,870)	25,398	39,268
Fund Balance, July 1	49,322		49,322	49,322	
Fund Balance, June 30	<u>\$ 35,452</u>	<u>\$ -</u>	<u>\$ 35,452</u>	<u>\$ 74,720</u>	<u>\$ 39,268</u>

**Statistical Section**

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

Exhibit J-1

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 25,976,649	\$ 20,705,914	\$ 22,876,427	\$ 26,690,199	\$ 28,803,444	\$ 31,090,573	\$ 36,972,907	\$ 40,367,864	\$ 33,307,706	\$ 36,783,789
Restricted for:										
Capital projects	2,660,697	2,523,398	3,063,652	2,232,176	2,966,623	5,683,186	3,004,047	2,026,604	9,545,718	4,496,580
Debt service	(801,361)	(839,652)	-	-	-	-	182,209	13,870	49,322	74,720
Other purposes	7,186,997	3,573,930	2,882,023	3,534,938	3,701,179	3,474,621	2,774,416	2,818,246	3,078,738	2,728,974
Unrestricted	(930,620)	(861,535)	(1,326,401)	(967,317)	(1,788,509)	(1,737,575)	(11,375,681)	(11,270,635)	(11,736,951)	(11,686,854)
Total governmental activities net position	<u>\$ 34,092,362</u>	<u>\$ 25,102,055</u>	<u>\$ 27,495,701</u>	<u>\$ 31,489,996</u>	<u>\$ 33,682,737</u>	<u>\$ 38,510,805</u>	<u>\$ 31,557,898</u>	<u>\$ 33,955,949</u>	<u>\$ 34,244,533</u>	<u>\$ 32,397,209</u>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 438,572	\$ 423,113	\$ 407,954	\$ 392,795	\$ 377,636	\$ 362,477	\$ 347,772	\$ 334,117	\$ 321,844	\$ 3,009,199
Unrestricted	192,518	215,713	198,898	167,290	164,406	214,916	191,016	129,597	92,505	97,869
Total business-type activities net position	<u>\$ 631,090</u>	<u>\$ 638,826</u>	<u>\$ 606,852</u>	<u>\$ 560,085</u>	<u>\$ 542,042</u>	<u>\$ 577,393</u>	<u>\$ 538,788</u>	<u>\$ 463,714</u>	<u>\$ 414,349</u>	<u>\$ 3,107,068</u>
<b>District-wide:</b>										
Net investment in capital assets	\$ 26,415,221	\$ 21,129,027	\$ 23,284,381	\$ 27,082,994	\$ 29,181,080	\$ 31,453,050	\$ 37,320,679	\$ 40,701,981	\$ 33,629,550	\$ 39,792,988
Restricted:										
Capital projects	2,660,697	2,523,398	3,063,652	2,232,176	2,966,623	5,683,186	3,004,047	2,026,604	9,545,718	4,496,580
Debt service	(801,361)	(839,652)	-	-	-	-	182,209	13,870	49,322	74,720
Other purposes	7,186,997	3,573,930	2,882,023	3,534,938	3,701,179	3,474,621	2,774,416	2,818,246	3,078,738	2,728,974
Unrestricted	(738,102)	(645,822)	(1,127,503)	(800,027)	(1,624,103)	(1,522,659)	(11,184,665)	(11,141,038)	(11,644,446)	(11,588,985)
Total district net position	<u>\$ 34,723,452</u>	<u>\$ 25,740,881</u>	<u>\$ 28,102,553</u>	<u>\$ 32,050,081</u>	<u>\$ 34,224,779</u>	<u>\$ 39,088,198</u>	<u>\$ 32,096,686</u>	<u>\$ 34,419,663</u>	<u>\$ 34,658,882</u>	<u>\$ 35,504,277</u>

**Burlington Township School District**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-2

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses:</b>										
<b>Governmental activities:</b>										
<b>Instruction:</b>										
Regular	\$ 18,863,496	\$ 19,998,369	\$ 17,473,133	\$ 17,648,544	\$ 18,587,884	\$ 18,548,395	\$ 19,079,235	\$ 19,510,826	\$ 19,835,384	\$ 20,750,514
Special education	6,042,930	6,496,898	6,928,846	7,390,064	7,859,851	6,365,974	6,556,937	6,586,368	6,857,960	7,281,816
Other instruction	1,619,940	1,809,304	1,736,065	1,819,083	1,956,105	2,067,717	2,044,938	2,096,426	2,240,798	2,188,131
<b>Support Services:</b>										
Tuition	1,797,027	2,236,280	2,548,267	2,939,828	2,296,865	2,228,530	2,133,509	2,492,883	2,721,679	3,262,410
Student & instruction related services	5,282,806	5,727,629	5,465,268	5,371,027	5,994,396	7,795,640	8,006,836	8,074,909	8,402,913	8,604,348
School administrative services	2,155,806	2,260,879	2,099,864	2,065,641	2,170,709	2,264,061	2,008,568	1,998,980	2,279,415	2,018,627
General and business administrative services	1,354,085	1,476,548	1,383,470	1,559,917	1,715,221	1,806,085	2,739,238	3,231,349	2,139,713	3,034,794
Plant operations and maintenance	4,083,205	11,087,692	5,250,208	4,682,876	5,494,750	6,632,987	6,770,069	6,280,321	7,744,288	9,900,494
Pupil transportation	2,623,668	2,713,136	2,566,828	2,611,623	2,662,537	2,728,822	2,847,978	2,853,287	2,832,214	2,903,921
Unallocated employee benefits	10,412,728	11,905,328	11,919,086	12,904,618	14,741,082	14,460,219	14,637,894	15,249,854	16,613,737	35,796,503
Special schools	213,353	-	-	-	-	-	-	-	-	-
Charter schools	-	72,937	120,663	124,018	52,122	37,196	9,035	18,393	10,005	9,197
Interest on long-term debt	2,041,060	1,898,026	1,759,084	1,443,649	1,523,662	908,696	870,560	745,475	745,241	717,192
Unallocated depreciation and amortization	161,978	188,552	132,853	143,678	114,186	214,399	76,577	130,504	126,795	131,204
<b>Total governmental activities expenses</b>	<b>56,652,082</b>	<b>67,871,578</b>	<b>59,383,635</b>	<b>60,704,566</b>	<b>65,169,370</b>	<b>66,056,721</b>	<b>67,781,372</b>	<b>69,269,575</b>	<b>72,550,142</b>	<b>96,599,151</b>
<b>Business-type activities:</b>										
Community Arts Center	46,847	31,846	27,648	43,668	47,437	52,367	65,689	63,499	57,789	53,569
Food Service	1,383,332	1,406,827	1,581,505	1,729,954	1,657,407	1,671,370	1,628,871	1,683,937	1,471,199	1,353,351
<b>Total business-type activities expense</b>	<b>1,430,179</b>	<b>1,438,673</b>	<b>1,609,153</b>	<b>1,773,622</b>	<b>1,704,844</b>	<b>1,723,737</b>	<b>1,694,560</b>	<b>1,747,436</b>	<b>1,528,988</b>	<b>1,406,920</b>
<b>Total district expenses</b>	<b>\$ 58,082,261</b>	<b>\$ 69,310,251</b>	<b>\$ 60,992,788</b>	<b>\$ 62,478,188</b>	<b>\$ 66,874,214</b>	<b>\$ 67,780,458</b>	<b>\$ 69,475,932</b>	<b>\$ 71,017,011</b>	<b>\$ 74,079,130</b>	<b>\$ 98,006,071</b>
<b>Program Revenues:</b>										
<b>Governmental activities:</b>										
Operating grants and contributions	\$ 5,588,518	\$ 6,434,197	\$ 6,624,272	\$ 6,410,954	\$ 7,675,389	\$ 7,057,093	\$ 6,518,042	\$ 7,394,673	\$ 9,351,983	\$ 29,611,391
Charges for service	-	-	-	-	-	-	653,043	833,398	232,010	478,208
<b>Total governmental activities program revenues</b>	<b>5,588,518</b>	<b>6,434,197</b>	<b>6,624,272</b>	<b>6,410,954</b>	<b>7,675,389</b>	<b>7,057,093</b>	<b>7,171,085</b>	<b>8,228,071</b>	<b>9,583,993</b>	<b>30,089,599</b>

(Continued)

**Burlington Township School District**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Exhibit J-2

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Business-type activities:</b>										
Charges for services:										
Performing Arts Center	\$ 44,027	\$ 36,706	\$ 49,346	\$ 30,420	\$ 46,510	\$ 40,710	\$ 60,835	\$ 41,250	\$ 39,955	\$ 30,970
Food service	955,229	1,007,202	1,085,543	1,151,603	1,072,889	1,155,350	999,327	974,981	773,464	720,104
Operating grants and contributions	376,368	399,517	438,090	542,082	566,926	562,674	595,051	655,224	629,094	601,908
Total business type activities program revenues	1,375,624	1,443,425	1,572,979	1,724,105	1,686,325	1,758,734	1,655,213	1,671,455	1,442,513	1,352,982
Total district program revenues	\$ 6,964,142	\$ 7,877,622	\$ 8,197,251	\$ 8,135,059	\$ 9,361,714	\$ 8,815,827	\$ 8,826,298	\$ 9,899,526	\$ 11,026,506	\$ 31,442,581
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (51,063,564)	\$ (61,437,381)	\$ (52,759,363)	\$ (54,293,612)	\$ (57,493,981)	\$ (58,999,628)	\$ (60,610,287)	\$ (61,041,504)	\$ (62,966,149)	\$ (66,509,552)
Business-type activities	(54,555)	4,752	(36,174)	(49,517)	(18,519)	34,997	(39,347)	(75,981)	(66,475)	(53,938)
Total district-wide net expense	\$ (51,118,119)	\$ (61,432,629)	\$ (52,795,537)	\$ (54,343,129)	\$ (57,512,500)	\$ (58,964,631)	\$ (60,649,634)	\$ (61,117,485)	\$ (63,052,624)	\$ (66,563,490)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 32,233,166	\$ 32,249,821	\$ 33,393,814	\$ 34,745,745	\$ 35,829,683	\$ 37,196,328	\$ 38,033,254	\$ 38,793,919	\$ 39,569,797	\$ 40,361,193
Taxes levied for debt service	2,994,462	3,625,196	3,903,689	3,873,418	3,897,792	3,800,613	3,539,220	3,308,596	3,466,574	3,584,151
Unrestricted grants and contributions	17,595,704	15,762,374	17,467,163	19,149,798	19,476,178	21,617,556	20,482,740	20,421,926	19,857,334	19,770,577
State aid restricted for debt service	-	-	-	-	-	-	-	-	-	-
Investment earnings	55,722	38,312	53,167	35,967	2,248	2,854	890	2,784	43,450	53,795
Miscellaneous income	904,768	771,371	335,176	482,979	849,601	1,210,545	669,211	914,330	317,578	912,512
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	53,783,822	52,447,074	55,153,009	58,287,907	60,055,502	63,827,696	62,725,315	63,439,555	63,254,733	64,662,228
Business-type activities:										
Investment earnings	921	2,984	4,200	2,750	476	354	742	907	1,310	2,842
Miscellaneous income	-	-	-	-	-	-	-	-	-	-
Total business-type activities	921	2,984	4,200	2,750	476	354	742	907	1,310	2,842
Total district-wide	\$ 53,784,743	\$ 52,450,058	\$ 55,157,209	\$ 58,290,657	\$ 60,055,978	\$ 63,828,050	\$ 62,726,057	\$ 63,440,462	\$ 63,291,843	\$ 67,408,885
<b>Change in Net Position:</b>										
Governmental activities	\$ 2,720,258	\$ (8,990,307)	\$ 2,393,646	\$ 3,994,295	\$ 2,561,521	\$ 4,828,068	\$ 2,115,028	\$ 2,398,051	\$ 288,584	\$ (1,847,324)
Business-type activities	(53,634)	7,736	(31,974)	(46,767)	(18,043)	35,351	(38,605)	(75,074)	(49,365)	2,692,719
Total district-wide	\$ 2,666,624	\$ (8,982,571)	\$ 2,361,672	\$ 3,947,528	\$ 2,543,478	\$ 4,863,419	\$ 2,076,423	\$ 2,322,977	\$ 239,219	\$ 845,395



**Burlington Township School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

Exhibit J-3

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund:</b>										
Reserved for:										
Encumbrances	\$ 26,107	\$ 221,326	\$ 161,820	\$ 48,437	\$ 151,380	\$ -	\$ 25,001	\$ 191,126	\$ 279,304	\$ -
Capital reserve	1,937,273	1,667,959	1,627,549	2,035,340	2,924,446	1,300,156	1,707,921	2,016,726	1,794,043	1,852,716
Maintenance reserve	100,000	-	200,000	546,000	946,000	946,000	946,000	946,000	1,419,000	1,446,000
Excess surplus	3,450,510	-	320,203	257,917	205,428	-	-	-	-	-
Excess surplus - designated for subsequent year's expenditures	3,532,849	3,352,604	-	322,773	257,917	205,428	-	-	-	-
Legally restricted										
ARRA/SEMI- Unreserved - designated for subsequent year's expenditures							21,368	-	-	-
Unreserved - designated for subsequent year's expenditures	77,531	-	2,200,000	2,351,131	2,085,947	2,095,157	1,782,047	1,677,716	1,380,434	1,282,974
Unreserved	(281,583)	(300,778)	273,238	306,897	(44,754)	(300,651)	(481,977)	(429,709)	(205,080)	(316,528)
<b>Total general fund</b>	<b>\$ 8,842,687</b>	<b>\$ 4,941,111</b>	<b>\$ 4,782,810</b>	<b>\$ 5,868,495</b>	<b>\$ 6,526,364</b>	<b>\$ 4,246,090</b>	<b>\$ 4,000,360</b>	<b>\$ 4,401,859</b>	<b>\$ 4,667,701</b>	<b>\$ 4,265,162</b>
<b>All Other Governmental Funds</b>										
Reserved:										
Encumbrances	\$ 249,755	\$ -	\$ 918,630	\$ 149,493	\$ 18,971	\$ 2,373,716	\$ 463,005	\$ 3,404	\$ 4,658,200	\$ 1,861,018
Unreserved - designated for subsequent year's expenditures										
Unreserved, reported in:									13,870	35,452
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	473,669	855,439	517,473	47,343	23,206	2,009,314	833,121	9,878	3,093,475	782,846
Debt service fund	107,168	4,752	-	8,680	54,507	228,036	182,209	13,870	35,452	39,268
<b>Total all other governmental funds</b>	<b>\$ 830,592</b>	<b>\$ 860,191</b>	<b>\$ 1,436,103</b>	<b>\$ 205,516</b>	<b>\$ 96,684</b>	<b>\$ 4,611,066</b>	<b>\$ 1,478,335</b>	<b>\$ 27,152</b>	<b>\$ 7,800,997</b>	<b>\$ 2,718,584</b>

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

Exhibit J-4

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Tax levy	\$ 35,227,628	\$ 35,875,017	\$ 37,297,503	\$ 38,619,163	\$ 39,727,475	\$ 40,996,941	\$ 41,572,474	\$ 42,100,515	\$ 43,036,371	\$ 43,925,344
Tuition charges	534,292	516,165	192,341	244,212	403,855	551,663	338,678	492,487	187,449	114,405
Transportation charges	65,843	97,481	52,842	11,255	56,806	31,509	56,438	27,988	44,561	34,735
Interest earnings	55,722	38,312	53,167	35,967	2,248	2,654	890	2,784	43,450	53,795
Miscellaneous	307,816	161,366	112,066	290,874	455,082	682,342	293,340	402,384	339,160	796,665
State sources	22,063,488	17,878,623	22,535,771	23,547,311	25,766,255	27,337,752	25,634,781	26,450,811	27,745,455	28,876,318
Federal sources	1,117,551	4,314,307	1,533,591	1,950,079	1,319,170	1,281,928	1,346,756	1,357,259	1,442,280	1,432,011
<b>Total revenue</b>	<b>59,372,340</b>	<b>58,881,271</b>	<b>61,777,281</b>	<b>64,698,861</b>	<b>67,730,891</b>	<b>70,884,789</b>	<b>69,243,357</b>	<b>70,834,228</b>	<b>72,838,726</b>	<b>75,233,273</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	17,731,137	17,968,505	15,879,162	16,156,784	16,891,831	16,803,273	16,890,650	17,543,878	18,001,937	18,807,712
Special education instruction	6,042,930	6,496,898	6,928,846	7,390,064	7,859,851	6,365,974	6,556,937	6,586,368	6,857,960	7,281,816
Other special instruction	1,619,940	1,809,304	1,736,065	1,819,083	1,956,105	2,067,717	2,044,938	2,096,426	2,240,798	2,188,131
Other instruction	-	-	-	-	-	-	-	-	-	-
<b>Support Services:</b>										
Tuition	1,797,027	2,236,280	2,548,267	2,939,828	2,296,865	2,228,530	2,133,509	2,492,883	2,721,679	3,262,410
Student & instruction related services	5,282,806	5,727,629	5,465,268	5,371,027	5,994,396	7,795,640	8,006,836	8,074,909	8,402,913	8,604,348
School administrative services	1,964,998	1,953,319	1,903,703	1,849,768	1,942,336	2,024,011	2,008,566	1,998,980	2,025,825	2,018,627
General and business admin. services	1,354,085	1,476,548	1,383,470	1,559,917	1,715,221	1,806,085	1,840,134	2,136,944	2,139,713	2,294,176
Plant operations and maintenance	4,130,816	4,449,035	4,818,319	4,672,305	5,003,333	5,485,395	5,650,857	5,679,619	5,709,738	5,294,233
Pupil transportation	2,623,668	2,713,136	2,566,828	2,611,623	2,662,537	2,726,822	2,847,978	2,853,287	2,832,214	2,903,921
Other support services	10,412,728	11,905,328	11,919,086	12,904,618	14,741,082	14,460,219	14,668,754	15,404,545	16,049,868	16,949,095
Special Schools	213,353	-	-	-	-	-	-	-	-	-
Charter School	-	72,937	120,663	124,018	52,122	37,196	9,035	18,393	10,005	9,197
Capital outlay	1,981,977	742,178	949,767	2,354,784	985,719	2,019,066	5,405,499	2,486,655	3,446,339	6,445,262
Debt service:										
Principal	2,890,000	3,240,000	3,320,000	3,400,000	3,755,000	3,680,000	3,485,000	3,525,000	3,595,000	3,665,000
Interest and other charges	2,089,114	1,962,151	1,820,226	1,828,983	1,325,456	1,287,496	1,073,125	986,025	879,050	994,297
<b>Total expenditures</b>	<b>60,134,579</b>	<b>62,753,248</b>	<b>61,359,670</b>	<b>64,982,782</b>	<b>67,181,854</b>	<b>68,787,424</b>	<b>72,621,818</b>	<b>71,883,912</b>	<b>74,913,039</b>	<b>80,718,225</b>
Excess (Deficiency) of revenues over (under) expenditures	(762,239)	(3,871,977)	417,611	(283,921)	549,037	2,097,365	(3,378,461)	(1,049,684)	(2,074,313)	(5,484,952)
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing	251,960	-	-	144,306	-	14,540,387	-	-	10,114,000	-
Accounts receivable cancelled	-	-	-	(5,287)	-	(14,403,644)	-	-	-	-
Transfers in	57,477	279,162	551,171	208,680	-	2,422,137	970,500	13,870	35,452	42,672
Transfers out	(57,477)	(279,162)	(551,171)	(208,680)	-	(2,422,137)	(970,500)	(13,870)	(35,452)	(42,672)
<b>Total other financing sources (uses)</b>	<b>251,960</b>	<b>-</b>	<b>-</b>	<b>139,019</b>	<b>-</b>	<b>136,743</b>	<b>-</b>	<b>-</b>	<b>10,114,000</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (510,279)</b>	<b>\$ (3,871,977)</b>	<b>\$ 417,611</b>	<b>\$ (144,902)</b>	<b>\$ 549,037</b>	<b>\$ 2,234,108</b>	<b>\$ (3,378,461)</b>	<b>\$ (1,049,684)</b>	<b>\$ 8,039,687</b>	<b>\$ (5,484,952)</b>
Debt service as a percentage of noncapital expenditures	8.56%	8.39%	8.51%	8.35%	7.67%	7.44%	6.78%	6.50%	6.26%	6.27%

Source: District records

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

Exhibit J-5

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<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Transportation</u>	<u>Tuition</u>	<u>Refunds</u>	<u>Rentals</u>	<u>Shared</u> <u>Services</u>	<u>Donations</u>	<u>Preschool</u> <u>Program Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2009	\$ 50,970	\$ 65,843	\$ 534,292	\$ 294,903	\$ 7,200	\$ -	\$ -	\$ -	\$ 2,530	\$ 955,738
2010	28,464	97,481	516,165	84,786	7,000			63,487	2,452	799,835
2011	42,406	52,842	192,341	15,398	53,774			18,000	2,821	377,582
2012	28,177	244,212	11,255	99,785	83,084		13,300	25,400	5,943	511,156
2013	8,101	56,806	403,855	31,459	70,269			20,300	261,059	851,849
2014	6,337	31,509	551,663	59,812	125,674	384,833		20,800	29,917	1,210,545
2015	20,896	56,438	338,678	63,624	105,560	25,416		21,435	38,054	670,101
2016	20,848	27,988	492,487	91,573	64,730	37,219	800	37,000	144,469	917,114
2017	69,155	44,561	187,449	79,380	64,820	34,093	-	26,100	87,480	593,038
2018	81,221	34,735	114,405	500,110	76,317	23,910		39,950	56,391	927,039
	<u>\$ 356,575</u>	<u>\$ 712,415</u>	<u>\$ 3,342,590</u>	<u>\$ 1,320,830</u>	<u>\$ 658,428</u>	<u>\$ 505,471</u>	<u>\$ 14,100</u>	<u>\$ 272,472</u>	<u>\$ 631,116</u>	<u>\$ 7,813,997</u>

Source: District records

**Burlington Township 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
2009	\$ 60,892,900	\$1,682,202,658	\$ 4,835,000	\$ 824,400	\$ 354,987,100	\$ 231,471,100	\$ 55,090,000	\$2,390,303,158	\$ 4,411,793	\$2,394,714,951	\$ 241,617,150	\$ 1.498	\$ 2,859,956,299
2010	58,070,100	1,686,539,858	5,221,800	893,100	345,873,600	231,680,600	55,090,000	2,383,369,058	4,890,705	2,388,259,763	248,407,150	1.561	2,741,357,925
2011	62,090,000	1,686,245,058	2,119,300	893,100	345,198,250	223,132,600	55,090,000	2,374,768,308	4,396,827	2,379,165,135	252,726,950	1.624	2,666,755,461
2012	63,813,100	1,539,973,957	2,119,300	868,700	342,544,250	219,982,600	55,090,000	2,224,391,907	4,662,239	2,229,054,146	248,770,450	1.782	2,324,940,541
2013	67,610,200	1,527,747,957	2,021,300	874,900	339,142,450	228,582,600	54,290,000	2,220,269,407	3,498,570	2,223,767,977	252,810,450	1.844	2,260,097,655
2014	61,935,100	1,530,989,757	1,599,800	888,400	333,579,550	224,082,200	54,065,000	2,207,139,807	2,575,429	2,209,715,236	252,409,450	1.881	2,241,817,759
2015	58,134,200	1,537,823,757	1,599,800	857,400	297,699,900	239,808,300	54,065,000	2,189,988,357	2,566,194	2,192,554,551	254,308,450	1.920	2,293,204,680
2016	56,600,700	1,559,843,767	1,591,800	785,000	300,559,900	240,522,900	54,065,000	2,213,969,067	2,238,278	2,212,207,335	256,672,750	1.946	2,521,626,938
2017	54,232,200	1,604,295,700	1,626,000	606,900	313,796,700	260,409,600	65,984,400	2,300,951,500	2,716,695	2,303,668,195	343,987,900	1.907	2,452,521,692
2018	59,912,150	1,618,966,900	897,800	593,500	309,893,500	254,350,200	65,984,400	2,310,598,450	2,708,203	2,313,306,653	347,612,150	1.938	2,381,910,897

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.

**Burlington Township 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,	Burlington School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Burlington	Burlington County	Fire District	
2009	\$ 1.347	\$ 0.151	\$ 1.498	\$ 0.351	\$ 0.454	\$ 0.067	\$ 2.370
2010	1.398	0.163	1.561	0.382	0.435	0.069	2.447
2011	1.461	0.163	1.624	0.410	0.422	0.070	2.526
2012	1.607	0.175	1.782	0.453	0.392	0.077	2.704
2013	1.673	0.171	1.844	0.483	0.381	0.078	2.786
2014	1.721	0.160	1.881	0.496	0.384	0.079	2.840
2015	1.769	0.151	1.920	0.514	0.431	0.083	2.948
2016	1.797	0.149	1.946	0.513	0.456	0.085	3.000
2017	1.763	0.144	1.907	0.523	0.426	0.085	2.941
2018	1.795	0.143	1.938	0.523	0.411	0.087	2.959

Source: Municipal Tax Collector

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

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

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

**Burlington Township School District  
Principal Property Tax Payers,  
Current Year and Nine Years Ago**

**Exhibit J-8**

Taxpayer	2018	
	Taxable Assessed Value	% of Total District Net Assessed Value
Stag Burlington 2, LLC	\$ 42,595,400	1.84%
Midmall Resources LP	37,523,800	1.62%
Haines Center - Burl LLC	33,916,800	1.47%
Cole BJ Burlington NJ LLC	30,876,000	1.33%
Stag Burlington, LLC	26,160,500	1.13%
Burlington Coat Factory Warehouse	24,619,800	1.06%
Sunset Associates	19,237,500	0.83%
Northgate Village Apartments	16,233,800	0.70%
Towne Crossing Burl, LLC	12,747,900	0.55%
Willow Pointe Apartments, LLC	11,993,100	0.52%
<b>Total</b>	<b>\$ 255,904,600</b>	<b>11.06%</b>

Taxpayer	2009	
	Taxable Assessed Value	% of Total District Net Assessed Value
Whitesell, Inc.	\$ 78,446,000	3.28%
NGP Capital Partners	40,000,000	1.67%
Midmall Resources	26,000,000	1.09%
Burlington Coat Factory	24,600,000	1.03%
Burlington Center	20,500,000	0.86%
Sunset Associates	18,500,000	0.77%
130 Holdings, LLC	18,330,000	0.77%
JS Hovanian	13,400,000	0.56%
Northgate Village Realty	13,270,000	0.55%
Willow Point Apts.	11,010,000	0.46%
<b>Total</b>	<b>\$ 264,056,000</b>	<b>11.03%</b>

**Source:** Municipal Tax Assessor

**Burlington Township 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	
2009	\$ 35,227,628	\$ 35,227,628	100.00%	-
2010	35,875,017	35,875,017	100.00%	-
2011	37,297,503	37,297,503	100.00%	-
2012	38,619,163	38,619,163	100.00%	-
2013	39,727,475	39,727,475	100.00%	-
2014	40,996,941	40,996,941	100.00%	-
2015	41,572,474	41,572,474	100.00%	-
2016	42,100,515	42,100,515	100.00%	-
2017	43,036,371	43,036,371	100.00%	-
2018	43,925,344	43,925,344	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.

**Burlington Township 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		Total District	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				
2009	\$ 46,363,000	\$ -	\$ 255,000	\$ -	\$ -	\$ 46,618,000	4.59%	\$ 2,185	
2010	43,123,000		340,852			43,463,852	4.01%	1,923	
2011	39,803,000		249,001			40,052,001	3.57%	1,773	
2012	36,230,000		152,717			36,382,717	3.18%	1,611	
2013	32,475,000		51,772			32,526,772	2.82%	1,440	
2014	28,040,000		-			28,040,000	2.35%	1,240	
2015	24,555,000		-			24,555,000	1.95%	1,079	
2016	21,030,000		-			21,030,000	1.63%	925	
2017	27,549,000		-			27,549,000	c	1,207	
2018	23,884,000		-			23,884,000	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



**Burlington Township 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		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2009	\$ 46,363,000	\$ -	\$ 46,363,000	1.94%	\$ 2,174
2010	43,123,000		43,123,000	1.81%	1,908
2011	39,803,000		39,803,000	1.67%	1,762
2012	36,230,000		36,230,000	1.63%	1,605
2013	32,475,000		32,475,000	1.46%	1,438
2014	28,040,000		28,040,000	1.27%	1,240
2015	24,555,000		24,555,000	1.12%	1,079
2016	21,030,000		21,030,000	0.95%	925
2017	27,549,000		27,549,000	1.20%	1,207
2018	23,884,000		23,884,000	1.03%	c

**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** Not available

**Burlington Township School District  
 Ratios of Overlapping Governmental Activities Debt  
 As of December 31, 2017**

**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 Burlington	\$ 14,560,192	100.000%	\$ 14,560,192
Burlington County General Obligation Debt	297,399,680	5.261%	15,646,197
			30,206,389
<b>Subtotal, overlapping debt</b>			<b>30,206,389</b>
<b>Burlington Township School District Direct Debt</b>			<b>26,304,000</b>
<b>Total direct and overlapping debt</b>			<b>\$ 56,510,389</b>

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

**Note:** Debt outstanding data provided by each governmental unit.  
 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 Burlington. 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.

<sup>a</sup> 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.

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

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2018

	Equalized valuation basis
2015	\$ 2,478,764,411
2016	2,391,741,404
2017	2,322,316,815
[A]	<u>\$ 7,192,822,630</u>
Average equalized valuation of taxable property	[A/3] \$ 2,397,607,543
Debt limit (4% of average equalized valuation)	[B] 95,904,302 <sup>a</sup>
Net bonded school debt	[C] 23,884,000
Legal debt margin	[B-C] <u>\$ 72,020,302</u>

Fiscal Year

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 112,475,672	\$ 113,023,058	\$ 109,495,779	\$ 104,584,802	\$ 98,190,690	\$ 92,645,635	\$ 90,450,087	\$ 93,533,058	\$ 95,556,527	\$ 95,904,302
Total net debt applicable to limit	<u>46,363,000</u>	<u>43,123,000</u>	<u>39,803,000</u>	<u>36,230,000</u>	<u>32,475,000</u>	<u>28,040,000</u>	<u>24,555,000</u>	<u>21,030,000</u>	<u>27,549,000</u>	<u>23,884,000</u>
Legal debt margin	<u>\$ 66,112,672</u>	<u>\$ 69,900,058</u>	<u>\$ 69,692,779</u>	<u>\$ 68,354,802</u>	<u>\$ 65,715,690</u>	<u>\$ 64,605,635</u>	<u>\$ 65,895,087</u>	<u>\$ 72,503,058</u>	<u>\$ 68,007,527</u>	<u>\$ 72,020,302</u>
Total net debt applicable to the limit as a percentage of debt limit	41.22%	38.15%	36.35%	34.64%	33.07%	30.27%	27.15%	22.48%	28.83%	24.90%

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

**Burlington Township School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

**Exhibit J-14**

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2009	21,331	\$1,014,694,339	\$ 47,569	8.9%
2010	22,598	1,084,365,030	47,985	9.4%
2011	22,584	1,122,357,048	49,697	8.5%
2012	22,577	1,145,534,403	50,739	9.5%
2013	22,582	1,154,753,152	51,136	9.5%
2014	22,608	1,194,674,544	52,843	6.2%
2015	22,754	1,259,456,654	55,351	5.2%
2016	22,732	1,291,450,384	56,812	5.2%
2017	22,824	e	e	3.7%
2018	e	e	e	e

**Source:**

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

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

Exhibit J-16

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction										
Regular	268	269	270	237	237	236	239	236	240	231
Special education	71	73	72	122	127	115	110	111	102	102
Other special education										
Vocational										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	78	81	81	86	97	97	79	75	75	71
School administrative services	37	40	38	33	27	27	27	27	27	27
General and business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	5	5	5	5	5	5	5	5	6	6
Pupil transportation	12	12	10	11	11	11	11	11	11	12
Business and other support services	10	10	11	8	8	8	7	6	8	8
Special Schools										
Food Service										
Child Care										
Total	<u>484</u>	<u>493</u>	<u>490</u>	<u>505</u>	<u>515</u>	<u>502</u>	<u>481</u>	<u>474</u>	<u>472</u>	<u>460</u>

Source: District Personnel Records

Burlington Township School District  
 Operating Statistics,  
 Last Ten Fiscal Years

Exhibit J-17

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	Middle School	Senior High School				
2009	4,160	\$ 53,173,488	\$ 12,782	3.65%	339	18:1	13:1	13:1	4,169	3,970	-2.39%	95.23%
2010	4,190	56,808,919	13,558	6.07%	342	18:1	13:1	13:1	4,055	3,867	-2.73%	95.36%
2011	4,097	55,269,677	13,490	-0.50%	342	18:1	13:1	13:1	4,104	3,926	1.21%	95.66%
2012	4,095	57,399,035	14,017	3.91%	359	18:1	13:1	13:1	4,061	3,886	-1.05%	95.69%
2013	4,027	61,115,679	15,176	3.91%	364	18:1	13:1	13:1	4,021	3,835	-0.98%	95.37%
2014	4,032	61,800,862	15,328	1.00%	351	18:1	13:1	13:1	4,043	3,857	0.54%	95.40%
2015	3,985	62,658,194	15,724	2.58%	349	18:1	13:1	13:1	3,994	3,804	-1.21%	95.26%
2016	3,930	64,886,232	16,510	5.01%	347	18:1	13:1	13:1	3,931	3,768	-1.58%	95.85%
2017	3,878	66,992,650	17,275	4.63%	347	18:1	13:1	13:1	3,869	3,700	-1.58%	95.63%
2018	3,797	69,613,666	18,334	6.13%	333	18:1	13:1	13:1	3,819	3,636	-1.29%	95.21%

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).

Burlington Township School District  
 School Building Information  
 Last Ten Fiscal Years

Exhibit J-18

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>District Building</b>										
<b>Elementary</b>										
<b>Bernice Young Elementary (1962)</b>										
Square Feet	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071
Capacity (students)	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280
Enrollment	1,035	951	871	892	886	910	896	845	802	835
<b>Fountain Woods Elementary (1999)</b>										
Square Feet	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648
Capacity (students)	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278
Enrollment	956	847	944	884	900	868	881	887	891	850
<b>Thomas O. Hopkins Middle (1970)</b>										
Square Feet	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116
Capacity (students)	597	597	597	597	597	597	597	597	597	597
Enrollment	311	335	334	322	315	328	323	280	325	255
<b>Burlington Township Middle School (2008)</b>										
Square Feet	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700
Capacity (students)	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Enrollment	1,029	1,011	1,028	1,003	951	979	912	949	894	893
<b>Burlington High School (1964)</b>										
Square Feet	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125
Capacity (students)	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Enrollment	829	910	927	960	975	958	982	971	957	945

Number of Schools at June 30, 2018

- Elementary = 3
- Middle School = 1
- Senior 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 any additions. Enrollment is based on the annual October district count.

Burlington Township 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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
Fountain Woods School	\$ 112,218	\$ 102,135	\$ 130,517	\$ 150,124	\$ 156,914	\$ 167,604	\$ 180,250	\$ 184,774	\$ 187,276	\$ 175,737	\$ 1,547,549
Springside School											
Young School	104,585	103,542	108,764	125,103	130,762	139,670	150,209	153,978	166,468	156,211	1,339,292
Hopkins School	83,149	79,436	87,012	100,082	104,609	111,736	120,167	123,183	124,851	117,158	1,051,383
Middle School	160,369	147,527	195,776	225,185	235,371	251,406	270,375	277,160	280,914	263,606	2,307,689
High School	146,653	151,183	203,027	233,526	244,088	260,717	280,389	287,426	280,913	263,606	2,351,528
Total School Facilities	<u>\$ 606,974</u>	<u>\$ 583,823</u>	<u>\$ 725,096</u>	<u>\$ 834,020</u>	<u>\$ 871,744</u>	<u>\$ 931,133</u>	<u>\$ 1,001,390</u>	<u>\$ 1,026,521</u>	<u>\$ 1,040,422</u>	<u>\$ 976,318</u>	<u>\$ 8,597,441</u>

\* 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



**Burlington Township School District  
Insurance Schedule  
June 30, 2018**

**Exhibit J-20**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)	\$ 148,132,933	\$ 1,000
School Board Legal Liability	1,000,000	10,000
Comercial Crime/Blanket Dishonesty	400,000	250
Umbrella Declarations	15,000,000	10,000
Excess Umbrella (2)	15,000,000	-
Workers' Compensation (3)	2,000,000	-
Student Accident Insurance CAT (4)	5,000,000	25,000
Student Accident Base (5)	25,000	-
Surety Bonds (6)		
Board Secretary/Business Administrator	300,000	-

- (1) Utica National Insurance Group
- (2) Toras National Insurance
- (3) NJ School Board's Association Insurance Group
- (4) United State Fire Insurance Company
- (5) Arch Insurance Company
- (6) RLI Insurance Company

Source: District records

**Single Audit Section**

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

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 (856) 983-2244  
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-Member of-  
 American Institute of CPAs  
 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  
 Burlington Township School District  
 County of Burlington  
 Burlington Township, New Jersey

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

I have audited Burlington Township 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, 2018. 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 Burlington Township 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, 2018.

### Report on Internal Control Over Compliance


Management of the Burlington Township 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 Burlington Township 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  
January 31, 2019

BURLINGTON TOWNSHIP SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2018

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, 2017			Carryover (Waikover) Amount	Cash Received	Budgetary Expenditures	Adjustment	June 30, 2018		
						Accounts Receivable	Deferred Revenue	Due to Grantor at					Accounts Receivable	Deferred Revenue	Due to Grantor at
<b>U.S. Department of Education</b>															
<b>General Fund:</b>															
Medical Assistance Program (SEM)	93.778	1805NJ5MAP	N/A	51,683	7/1/17 - 6/30/18	\$ -	\$ -	\$ -	\$ -	\$ 51,683	\$ (51,683)	\$ -	\$ -	\$ -	\$ -
<b>Total General Fund</b>										<b>51,683</b>	<b>(51,683)</b>				
<b>Special Revenue Fund:</b>															
<b>Every Student Succeeds Act (ESSA)</b>															
Title I	84.010A	S010A170030	ESSA-0620-18	359,378	7/1/17 - 6/30/18					208,514	(355,475)		(146,961)		
Title I - Prior Year	84.010A	S010A160030	NCLB-0620-17	366,150	7/1/16 - 6/30/17	(82,240)				82,240					
Title IIA	84.367A	S367A170029	ESSA-0620-18	91,310	7/1/17 - 6/30/18					51,253	(85,299)		(34,046)		
Title IIA - Prior Year	84.367A	S367A160029	NCLB-0620-17	74,291	7/1/16 - 6/30/17	(17,382)				17,382					
Title III	84.365A	S365A170030	ESSA-0620-18	38,751	7/1/17 - 6/30/18					22,454	(38,069)		(15,615)		
Title III - Prior Year	84.365A	S365A160030	NCLB-0620-17	45,120	7/1/16 - 6/30/17	(5,069)				5,069					
Title III - Immigrant	84.365A	S365A170030	ESSA-0620-18	10,648	7/1/17 - 6/30/18					5,037	(8,085)		(3,048)		
Title III - Immigrant - Prior Year	84.365A	S365A160030	NCLB-0620-17	5,393	7/1/16 - 6/30/17	(2,175)				2,175					
Title IV	84.424A	S424A170031	ESSA-0620-18	10,000	7/1/17 - 6/30/18						(10,000)		(10,000)		
<b>Individuals With Disabilities Act (I.D.E.A.)</b>															
Part B - Basic	84.027	H027A170100	IDEA-0620-18	831,130	7/1/17 - 6/30/18					831,130	(831,130)				
Part B - Preschool	84.173	H173A170114	IDEA-0620-18	28,551	7/1/17 - 6/30/18					28,551	(28,551)				
<b>Temporary Emergency Impact Aid for Displaced Students</b>															
	84.938C	S938C18005	N/A	2,125	7/1/17 - 6/30/18						(2,125)		(2,125)		
<b>Perkins</b>															
Perkins	84.048A	V048A170030	PERK-0620-18	21,594	7/1/17 - 6/30/18					19,431	(21,594)		(2,163)		
Perkins	84.048A	V048A160030	PERK-0620-17	40,460	7/1/16 - 6/30/17	(7,393)				7,393					
<b>Total Special Revenue Fund</b>										<b>1,280,629</b>	<b>(1,380,328)</b>		<b>(213,958)</b>		
<b>U.S. Department of Agriculture</b>															
<b>Enterprise Fund:</b>															
Food Distribution Program	10.565	181NJ304N1099	N/A	68,544	7/1/17 - 6/30/18					68,544	(68,544)				
National School Lunch Program	10.555	181NJ304N1099	N/A	438,441	7/1/17 - 6/30/18					409,734	(438,441)		(28,707)		
National School Lunch Program	10.555	171NJ304N1099	N/A	448,868	7/1/16 - 6/30/17	(25,617)				25,617					
School Breakfast Program	10.553	181NJ304N1099	N/A	79,730	7/1/17 - 6/30/18					73,265	(79,730)		(6,465)		
School Breakfast Program	10.553	171NJ304N1099	N/A	86,139	7/1/16 - 6/30/17	(6,339)				6,339					
<b>Total Enterprise Fund</b>										<b>583,499</b>	<b>(586,715)</b>		<b>(35,172)</b>		
<b>Total Federal Awards</b>						<b>\$ (148,215)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,915,811</b>	<b>\$ (2,018,726)</b>	<b>\$ -</b>	<b>\$ (249,130)</b>	<b>\$ -</b>	<b>\$ -</b>

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2018

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2017			Cash Received	Budgetary Expenditures	Repayment of Prior Year Grant	Adjustment	June 30, 2018		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor					Accounts Receivable	Deferred Revenue	Due to Grantor at
<b>State Department of Education</b>													
<b>General Fund:</b>													
Special Education Categorical Aid	18-495-034-5120-089	\$ 2,315,921	7/1/17 - 6/30/18	\$ -	\$ -	\$ -	\$ 2,106,863	\$ (2,315,921)	\$ -	\$ -	\$ (209,058)	\$ -	\$ -
Special Education Categorical Aid	17-495-034-5120-089	2,315,921	7/1/16 - 6/30/17	(215,377)			215,377						
Equalization Aid	18-495-034-5120-078	15,389,989	7/1/17 - 6/30/18				14,000,739	(15,389,989)			(1,389,250)		
Equalization Aid	17-495-034-5120-078	14,996,159	7/1/16 - 6/30/17	(1,394,619)			1,394,619						
Security Aid	18-495-034-5120-084	428,856	7/1/17 - 6/30/18				390,143	(428,856)			(38,713)		
Security Aid	17-495-034-5120-084	428,856	7/1/16 - 6/30/17	(39,883)			39,883						
Under Adequacy Aid	18-495-034-5120-096	34,377	7/1/17 - 6/30/18				31,274	(34,377)			(3,103)		
Under Adequacy Aid	17-495-034-5120-096	34,377	7/1/16 - 6/30/17	(3,197)			3,197						
Transportation Aid	18-495-034-5120-014	779,010	7/1/17 - 6/30/18				708,889	(779,010)			(70,321)		
Transportation Aid	17-495-034-5120-014	779,010	7/1/16 - 6/30/17	(72,446)			72,446						
PARCC Readiness Aid	18-495-034-5120-098	40,040	7/1/17 - 6/30/18				36,426	(40,040)			(3,614)		
PARCC Readiness Aid	17-495-034-5120-098	40,040	7/1/16 - 6/30/17	(3,724)			3,724						
Per Pupil Growth Aid	18-495-034-5120-097	40,040	7/1/17 - 6/30/18				36,426	(40,040)			(3,614)		
Per Pupil Growth Aid	17-495-034-5120-097	40,040	7/1/16 - 6/30/17	(3,724)			3,724						
Professional Learning Community Aid	18-495-034-5120-101	38,580	7/1/17 - 6/30/18				35,097	(38,580)			(3,483)		
Professional Learning Community Aid	17-495-034-5120-101	38,580	7/1/16 - 6/30/17	(3,588)			3,588						
Reimbursement of Nonpublic Transportation	18-103190	28,173	7/1/17 - 6/30/18					(28,173)			(28,173)		
Reimbursement of Nonpublic Transportation	17-103190	22,446	7/1/16 - 6/30/17	(22,446)			22,446						
Extraordinary Aid	18-495-034-5120-044	545,094	7/1/17 - 6/30/18					(547,213)			(547,213)		
Extraordinary Aid	17-495-034-5120-044	714,655	7/1/16 - 6/30/17	(714,655)			714,655						
Homeless Tuition Aid	18-495-034-5120-005	61,293	7/1/17 - 6/30/18					(61,293)			(61,293)		
Homeless Tuition Aid	17-495-034-5120-005	350,327	7/1/16 - 6/30/17	(350,327)			350,327						
Lead Testing for Schools Aid	17-495-034-5120-104	12,190	7/1/16 - 6/30/17	(12,190)			12,190						
On Behalf TPAF Pension	18-495-034-5094-002	3,679,947	7/1/17 - 6/30/18				3,679,947	(3,679,947)					
On Behalf TPAF Post Retirement Medical	18-495-034-5094-001	2,376,799	7/1/17 - 6/30/18				2,376,799	(2,376,799)					
On Behalf TPAF LTDI	18-495-034-5094-004	3,486	7/1/17 - 6/30/18				3,486	(3,486)					
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	1,987,474	7/1/17 - 6/30/18				1,889,956	(1,987,474)			(97,518)		
Reimbursed TPAF Social Security Contributions	17-495-034-5094-003	1,925,759	7/1/16 - 6/30/17	(94,804)			94,804						
<b>Total General Fund</b>				<b>(2,930,980)</b>			<b>28,226,825</b>	<b>(27,751,198)</b>			<b>(2,455,353)</b>		
<b>Special Revenue Fund</b>													
<b>NJ Nonpublic Aid:</b>													
Textbook Aid	18-100-034-5120-064	5,478	7/1/17 - 6/30/18				5,478	(5,478)					
Nursing Aid	18-100-034-5120-070	10,864	7/1/17 - 6/30/18				10,864	(10,864)					
Technology Aid	18-100-034-5120-373	3,700	7/1/17 - 6/30/18				3,700	(3,700)					
Security Aid	18-100-034-5120-509	8,400	7/1/17 - 6/30/18				8,400	(8,400)					
<b>Total Special Revenue Fund</b>							<b>28,442</b>	<b>(28,442)</b>					
<b>New Jersey School Development Authority</b>													
<b>Capital Projects Fund</b>													
High School	0620-010-14-1001	809,471	6/20/14 - 6/30/15	(161,894)							(161,894)		
Thomas O. Hopkins Middle School	0620-025-14-1002	248,036	5/02/14 - 6/30/15	(123,718)							(123,718)		
Middle School	0620-051-14-1005	97,064	5/02/14 - 6/30/15	(97,064)							(97,064)		
Fountain Woods	0620-037-14-1004	74,283	5/02/14 - 6/30/15	(74,283)							(74,283)		
Bernice Young School	0620-030-14-1003	1,104,819	5/02/14 - 6/30/15	(256,846)							(256,846)		
<b>Total Capital Projects Fund</b>				<b>(713,805)</b>							<b>(713,805)</b>		
<b>Debt Service Fund</b>													
Debt Service Aid Type II	18-495-034-5120-017	1,081,276	7/1/17 - 6/30/18				1,081,276	(1,081,276)					
<b>State Department of Agriculture</b>													
<b>Enterprise Fund:</b>													
State School Lunch Program	18-100-010-3350-023	15,193	7/1/17 - 6/30/18				14,190	(15,193)			(1,003)		
State School Lunch Program	17-100-010-3350-023	14,387	7/1/16 - 6/30/17	(803)			803						
<b>Total Enterprise Fund</b>				<b>(803)</b>			<b>14,993</b>	<b>(15,193)</b>			<b>(1,003)</b>		
<b>Total State Financial Assistance</b>				<b>\$ (3,645,588)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,351,536</b>	<b>\$ (28,876,109)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,170,161)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Less: State Financial Assistance Not Subject to Major Program Determination</b>													
On-Behalf TPAF Contribution - Pension (Non-Budgeted)								(3,679,947)					
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)								(2,376,799)					
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)								(3,486)					
<b>Total State Financial Assistance Subject to Major Program Determination</b>								<b>\$ (22,815,877)</b>					

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

**Burlington Township School District  
Notes to Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2018**

**I. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Burlington Township 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 two June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

**Burlington Township School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$15,402 for the general fund and \$-0- for 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. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 51,683	\$ 27,766,600	\$ 27,818,283
Special Revenue	1,380,328	28,442	1,408,770
Debt Service		1,081,276	1,081,276
Food Service	586,715	15,193	601,908
Total	<u>\$ 2,018,726</u>	<u>\$ 28,891,511</u>	<u>\$ 30,910,237</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. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2018. 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, 2018.

**6. MAJOR PROGRAMS**

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



**BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**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?            yes       X       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>181NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>181NJ304N1099</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



**BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**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.

No findings identified.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**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.

**BURLINGTON 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.