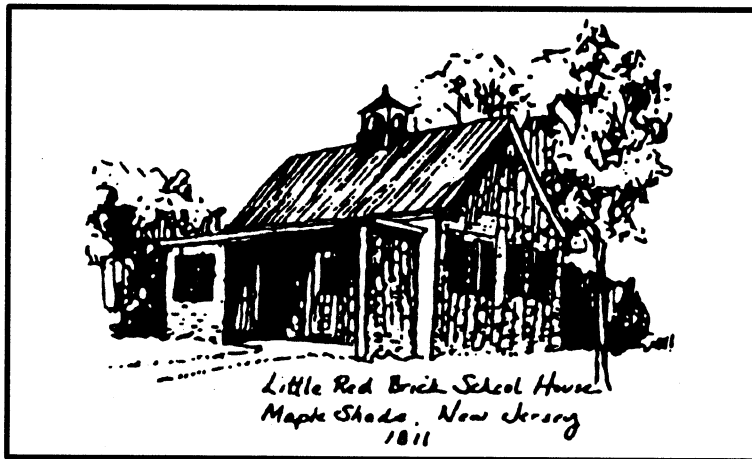


SCHOOL DISTRICT
OF
MAPLE SHADE



**Maple Shade Board of Education
Maple Shade, New Jersey**

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

**Comprehensive Annual
Financial Report**

of the

Maple Shade Board of Education

Maple Shade, New Jersey

For the Fiscal Year Ended June 30, 2018

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

MAPLE SHADE SCHOOL DISTRICT

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Introductory Section

MAPLE SHADE BOARD OF EDUCATION

Administration Building

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

Beth Norcia
Superintendent of Schools

Diana Cawood
Business Administrator/Board Secretary



January 31, 2019

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

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Maple Shade Township School District for the fiscal year ended June 30, 2018. This CAFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of federal regulations, cost principals, 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 and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES:

The Maple Shade Public Schools is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Maple Shade Public Schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include all educational programs aligned with the New Jersey Core Content Standards for both regular education and special needs students. The Maple Shade school district completed the 2017-2018 fiscal year with an enrollment of 2,173 students based upon the average daily enrollment (ADE). The following details the changes in the student enrollment of the District over the last 10 years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2008-09	2,008	(.89%)
2009-10	2,076	3.39%
2010-11	2,133	2.75%
2011-12	2,155	(1.03%)
2012-13	2,085	(3.25%)
2013-14	2,181	4.60%
2014-15	2,233	2.38%
2015-16	2,185	(2.15%)
2016-17	2,163	(3.54%)
2017-18	2,173	.49%

2) ECONOMIC CONDITION AND OUTLOOK:

The district received additional state funding for this 2018-2019 school year with the promise of getting additional aid for the next several years as part of the School Funding Reform Act. If this promise comes to fruition, we are looking to enhance security measures and offer the town some tax relief. We are also looking for approval on a referendum that would repair and replace roofs and air condition units that have aged and are in disrepair. We look to enhance older spaces to be able to provide for better and up-to-date educational spaces for students to thrive. An addition of 8 classrooms would provide for enough space for Pre- K to be added at the Howard Yocum School.

3) MAJOR INITIATIVES:

This year's projects include:

- School district referendum
- Additional general education preschool through the state's preschool grant
- Special education 4 year old program expanded to a full day

4) INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the district's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion

related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

5) BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance of June 30, 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." The district has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit

Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law required governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7) **RISK MANAGEMENT:**

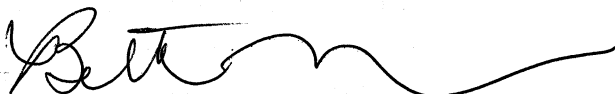
The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

8) **OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Inverso & Stewart, LLC, performs the annual statutory audit of the Maple Shade Board of Education. 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 OMB15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

9) **ACKNOWLEDGEMENTS:**

We would like to express our appreciation to the members of the Maple Shade Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. We further extend our appreciation to the district personnel who on a day-to-day basis help carry out financial transactions in a responsible, efficient, and dedicated manner.

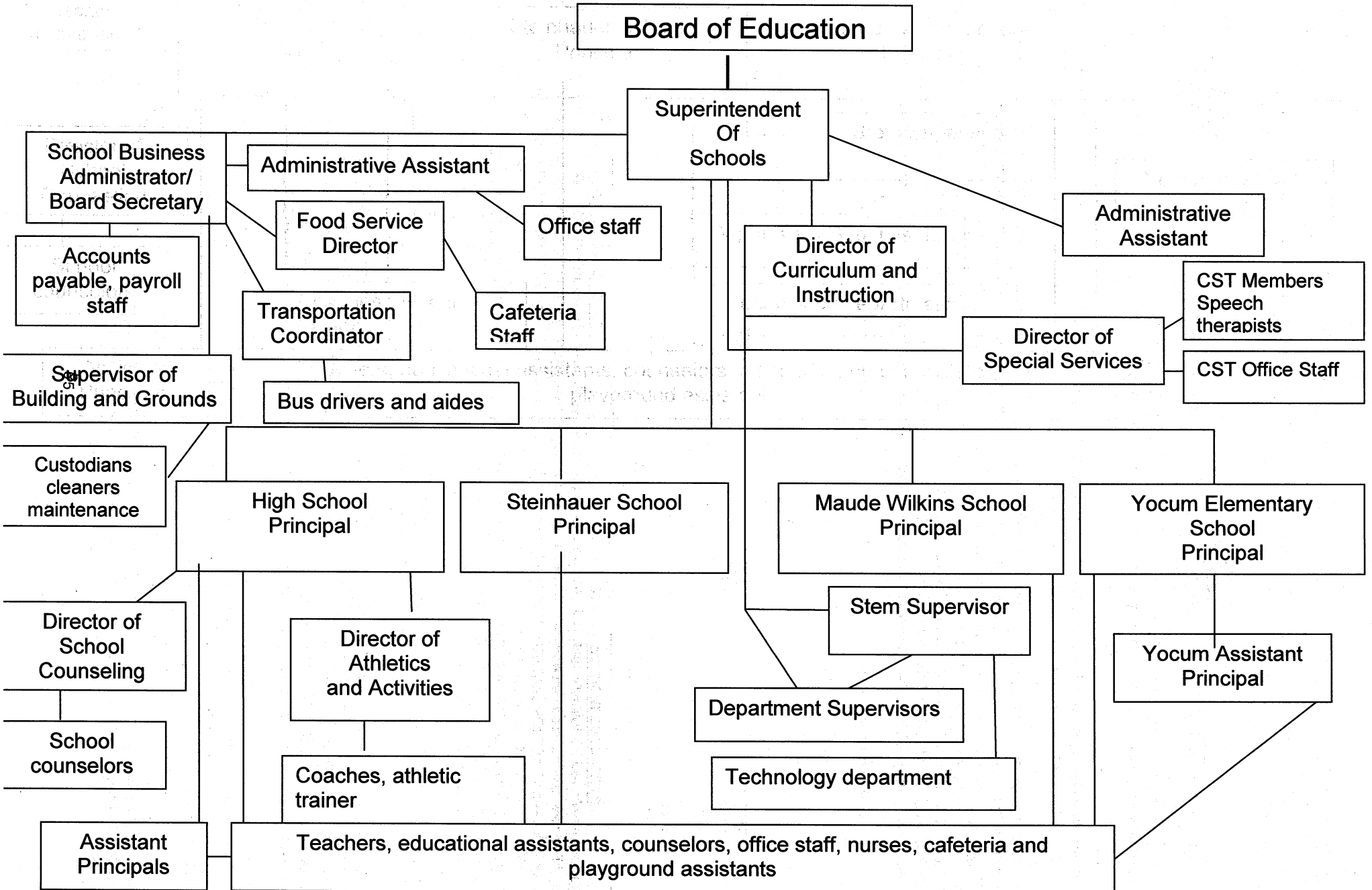


Beth Norcia
Superintendent of Schools



Diana Cawood
School Business Administrator
Board Secretary

ORGANIZATIONAL CHART



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

**ROSTER OF OFFICIALS
JUNE 30, 2018**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Michael R. McClure – President	2020
Ellen Wiest- Vice President	2019
Heather Gatton	2018
Tom Hartshaw	2020
Margaret Long	2018
Lynda Lorierzo	2018
Theresa Maerten	2018
William Natale	2020
Craig Schaal	2019

Other Officials

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

**MAPLE SHADE SCHOOL DISTRICT
Consultants and Advisors**

Architect

Garrison Architects
713 Creek Road
Bellmawr, NJ 08031

Attorney

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

Audit Firm

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

Official Depository

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

Financial Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: rinverso@iscpasnj.com

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Maple Shade School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 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 Maple Shade 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 Maple Shade 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.

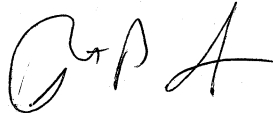
The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records 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 Maple Shade School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Maple Shade School District's internal control over financial reporting and compliance.

INVERSO & STEWART, LLC
Certified Public Accountants

A handwritten signature in black ink, appearing to read 'R P A', is written over the printed name of Robert P. Inverso.

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

Marlton, New Jersey
January 31, 2019

INVERSO & STEWART, LLC
 Certified Public Accountants

651 Route 73 North, Suite 402
 Marlton, New Jersey 08053
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 E-Mail: rinverso@iscpasnj.com

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

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

INDEPENDENT AUDITOR'S REPORT

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Maple Shade School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 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 Maple Shade School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, I do not express an opinion on the effectiveness of the Maple Shade School District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Maple Shade School District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed 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

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

As management of the Board of Education of Maple Shade Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 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 \$5,809,459 (*net position*).
- Governmental activities have unrestricted net position deficit of \$12,366,572. The accounting treatments in the governmental funds for compensated absences payable, net pension liability and the last two state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased \$1,874,135 from the prior fiscal year-end balance. The majority of the increase is attributable to the results of operations in the General Fund and decrease in long term liabilities.
- Fund balance of the School District's governmental funds increased by \$609,451 resulting in an ending fund balance of \$4,233,280. The majority of this increase is due to the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$622,291, which may be used to meet the School District's ongoing obligations of the food service operations, school store and school age child care program.
- The School District's long-term obligations decreased by \$5,729,368 which is the result of the payment of bonds, a new capital lease, and a decrease in compensated absences.

Overview of the Basic Financial Statements

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

District-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

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

Notes to the Basic Financial Statements

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

Other Information

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

District-wide Financial Analysis

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

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

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 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 liabilities of the primary government activities exceeded assets by \$5,094,472 with an unrestricted deficit balance of \$12,366,572. The net position of the primary government does not include internal balances.

A net investment of \$13,134,252 in land, improvements, buildings, equipment and vehicles provides services to the School District's 2,163 public school students. Net position of \$980,909 has been restricted to provide resources for future capital expansion and renovation projects. Also, \$704,643 has been restricted for maintenance reserve while \$2,641,240 has been restricted for budget appropriation.

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

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

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
Assets:						
Current assets	\$ 4,392,161	\$ 3,781,300	\$ 670,747	\$ 598,190	\$ 5,062,908	\$ 4,379,490
Capital assets	<u>26,362,262</u>	<u>27,272,536</u>	<u>92,696</u>	<u>63,151</u>	<u>26,454,958</u>	<u>27,347,830</u>
Total assets	<u>30,754,423</u>	<u>31,053,836</u>	<u>763,443</u>	<u>661,341</u>	<u>31,517,866</u>	<u>31,727,320</u>
Deferred Outflows of Resources	<u>3,320,653</u>	<u>4,103,366</u>			<u>3,320,653</u>	<u>4,103,366</u>
Liabilities:						
Current Liabilities	2,414,625	1,920,655	24,065	14,485	2,438,690	1,935,140
Noncurrent Liabilities	<u>24,145,930</u>	<u>29,896,060</u>	<u>24,391</u>	<u>23,318</u>	<u>24,170,321</u>	<u>29,919,378</u>
Total liabilities	<u>26,560,555</u>	<u>31,816,715</u>	<u>48,456</u>	<u>37,803</u>	<u>26,609,011</u>	<u>31,854,518</u>
Deferred Inflows of Resources	<u>2,420,049</u>	<u>28,701</u>			<u>2,420,049</u>	<u>28,701</u>
Net position	<u>\$ 5,094,472</u>	<u>\$ 3,311,786</u>	<u>\$ 714,987</u>	<u>\$ 623,538</u>	<u>\$ 5,809,459</u>	<u>\$ 3,935,324</u>
Net position consists of:						
Invested in capital						
Assets	\$ 13,134,252	\$ 12,524,556	\$ 92,696	\$ 63,151	\$ 13,226,948	\$ 12,587,707
Restricted net position	4,326,792	3,702,989			4,326,792	3,702,989
Unrestricted net position	<u>(12,366,572)</u>	<u>(12,915,759)</u>	<u>622,291</u>	<u>560,387</u>	<u>(11,744,281)</u>	<u>(12,355,372)</u>
Net position	<u>\$ 5,094,472</u>	<u>\$ 3,311,786</u>	<u>\$ 714,987</u>	<u>\$ 623,538</u>	<u>\$ 5,809,459</u>	<u>\$ 3,935,324</u>

Maple Shade Township School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Years Ended June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues						
Charges for services			\$ 779,657	\$ 758,323	\$ 779,657	\$ 758,323
Operating grants and Contributions	\$ 18,979,620	\$ 5,687,283	656,485	646,455	19,636,105	6,333,738
Capital grants and Contributions						
General Revenues:						
Property Taxes	26,578,041	25,968,571			26,578,041	25,968,571
Unrestricted State Aid	9,685,476	8,989,948			9,685,476	8,989,948
Tuition	126,969	186,537			126,969	186,537
Other Revenues	205,952	226,681	4,136	5,993	210,088	232,674
Total Revenues	55,576,058	41,059,020	1,440,278	1,410,771	57,016,336	42,469,791
Expenses:						
Governmental Activities:						
Instruction	16,275,591	17,350,648			16,275,591	17,350,648
Tuition	1,698,460	1,312,550			1,698,460	1,312,550
Related Services	4,435,872	4,036,584			4,435,872	4,036,584
Administrative Services	2,085,355	2,010,788			2,085,355	2,010,788
Operations and Maintenance	2,869,972	3,495,626			2,869,972	3,495,626
Transportation	1,020,179	997,102			1,020,179	997,102
Central Services	572,057	557,117			572,057	557,117
Employee benefits	24,349,378	11,765,114			24,349,378	11,765,114
Interest on long-term Debt	439,482	460,596			439,482	460,596
Other	47,026	34,744			47,026	34,744
Business-Type Activities:						
Food Service Operations			1,011,125	1,081,050	1,011,125	1,081,050
School Store			9,943	8,526	9,943	8,526
SACC Program			327,761	281,732	327,761	281,732
Total Expenses	53,793,372	42,020,869	1,348,829	1,371,308	55,142,201	43,392,177
Increase in net position						
Before transfers	1,782,686	(961,849)	91,449	39,463	1,874,135	(922,386)
Transfers						
Changes in net position	1,782,686	(961,849)	91,449	39,463	1,874,135	(922,386)
Net position, July 1,	3,311,786	4,273,635	623,538	584,075	3,935,324	4,857,710
Net position, June 30,	\$ 5,094,472	\$ 3,311,786	\$ 714,987	\$ 623,538	\$ 5,809,459	\$ 3,935,324

Governmental Activities

Governmental activities increased the net position of the School District by \$1,782,686 during the current fiscal year. Key elements of the decrease in net position for governmental activities are as follows:

- Serial bonds decreased by \$1,577,198.
- Results of operations in the Governmental Funds increased \$609,451.
- Depreciation expense of \$940,516.

Business-type Activities

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

- The School Store had a net losses of \$3,319, while Food Service and School Age Child Care had a net gain of \$43,879 and 50,889, respectively.

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 \$4,233,280, an increase of \$609,451 in comparison with the prior year. The majority of the increase is attributable to the results of operations in the general fund.

The unassigned fund balance for the School District at the end of the fiscal year includes a deficit unassigned fund balance for the General Fund of \$93,512. 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 \$980,909, 2) \$1,378,535 appropriated as a revenue source in the subsequent year's budget, 3) \$704,643 reserved for maintenance, 4) \$1,262,705 reserved for excess surplus.

General Fund Budgetary Highlights

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the general fund was \$723,317 while total fund balance (budgetary basis) was \$5,050,109. 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 \$39,061,825. Unreserved fund balance (budgetary basis) represents 1.85% of expenditures while total fund balance (budgetary basis) represents 12.93% 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 \$26,454,958 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$880,729, or a 3.22% decrease. The decrease is due to depreciation less any additions.

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	\$ 412,248	\$ 412,248			\$ 412,248	\$ 412,248
Buildings and Building Improvements	25,701,966	26,516,909			25,701,966	26,516,909
Equipment	248,048	343,379	\$ 92,696	\$ 63,151	340,744	406,530
Total	<u>\$ 26,362,262</u>	<u>\$ 27,272,536</u>	<u>\$ 92,696</u>	<u>\$ 63,151</u>	<u>\$ 26,454,958</u>	<u>\$ 27,335,687</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 \$12,930,000 in serial bonds payable, \$245,313 in capital leases, and \$758,791 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$55,092,086. The available amount as of June 30, 2018 is \$42,162,086.

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 2018-2019 fiscal year.

- For the 2018-19 fiscal year the School District will be receiving no increase in state aid. The local tax levy in the General Fund increased \$495,978 over the previous year, resulting in a 2.00 percent increase. Salaries continue to increase contractually; however, the District has managed to control costs. The 2018-19 General Fund Budget is \$1,327,537 more than the previous year or a 3.70% increase. The tax rate for 2018 increased to \$2.092 from \$2.076 in 2017.

For the Future

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

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

Requests for Information

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

Basic Financial Statements

District-Wide Financial Statements

MAPLE SHADE SCHOOL DISTRICT
Statement of Net Position
June 30, 2018

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 3,221,172	\$ 612,362	\$ 3,833,534
Receivables, Net	707,096	75,308	782,404
Inventory		33,464	33,464
Internal balance	50,387	(50,387)	-
Restricted Assets:			
Capital Reserve Account	413,506		413,506
Capital Assets, Net (Note 5)	26,362,262	92,696	26,454,958
Total assets	<u>30,754,423</u>	<u>763,443</u>	<u>31,517,866</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	<u>3,320,653</u>		<u>3,320,653</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:	<u>34,075,076</u>	<u>763,443</u>	<u>34,838,519</u>
LIABILITIES:			
Accounts Payable			
Related to pension	484,960		484,960
Other	123,195	2,001	125,196
Payable to state government	31,065		31,065
Other liabilities	4,621		4,621
Unearned revenue		22,064	22,064
Accrued Interest	105,232		105,232
Noncurrent liabilities:			
Due within one year	1,665,552		1,665,552
Due beyond one year	24,145,930	24,391	24,170,321
Total liabilities	<u>26,560,555</u>	<u>48,456</u>	<u>26,609,011</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of resources from pensions	<u>2,420,049</u>		<u>2,420,049</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:	<u>28,980,604</u>	<u>48,456</u>	<u>29,029,060</u>
NET POSITION:			
Net investment in capital assets	13,134,252	92,696	13,226,948
Restricted for:			
Capital Projects	980,909		980,909
Other purposes	3,345,883		3,345,883
Unrestricted	<u>(12,366,572)</u>	<u>622,291</u>	<u>(11,744,281)</u>
Total net position	<u>\$ 5,094,472</u>	<u>\$ 714,987</u>	<u>\$ 5,809,459</u>

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 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
Governmental activities:						
Instruction:						
Regular	\$ 9,967,993	\$ -	\$ 468,766	\$ (9,499,227)	\$ -	\$ (9,499,227)
Special Education	5,340,161		584,782	(4,755,379)		(4,755,379)
Other instruction	967,437			(967,437)		(967,437)
Support Services:						
Tuition	1,698,460			(1,698,460)		(1,698,460)
Student & instruction related services	4,435,872		188,147	(4,247,725)		(4,247,725)
General administrative services	572,718			(572,718)		(572,718)
School administrative services	1,512,637			(1,512,637)		(1,512,637)
Central services	572,057			(572,057)		(572,057)
Plant operations and maintenance	2,869,972			(2,869,972)		(2,869,972)
Pupil transportation	1,020,179			(1,020,179)		(1,020,179)
Employee benefits	24,349,378		17,737,925	(6,611,453)		(6,611,453)
Interest on long-term debt	439,482			(439,482)		(439,482)
Unallocated depreciation and amortization	47,026			(47,026)		(47,026)
Total governmental activities	<u>53,793,372</u>		<u>18,979,620</u>	<u>(34,813,752)</u>		<u>(34,813,752)</u>
Business-type activities:						
School Store	9,943	6,623			(3,320)	(3,320)
School Age Child Care	327,761	375,339			47,578	47,578
Food Service Program	1,011,125	397,695	656,485		43,055	43,055
Total business-type activities	<u>1,348,829</u>	<u>779,657</u>	<u>656,485</u>		<u>87,313</u>	<u>87,313</u>
Total primary government	<u>\$ 55,142,201</u>	<u>\$ 779,657</u>	<u>\$ 19,636,105</u>	<u>\$ (34,813,752)</u>	<u>\$ 87,313</u>	<u>\$ (34,726,439)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes, net				24,798,897		24,798,897
Taxes levied for debt service				1,779,144		1,779,144
Federal and State aid not restricted				9,685,476		9,685,476
Tuition revenue				126,969		126,969
Miscellaneous Income				205,952	4,136	210,088
Transfers						
Total general revenues, special items, extraordinary items and transfers				<u>36,596,438</u>	<u>4,136</u>	<u>36,600,574</u>
Change in Net Position				1,782,686	91,449	1,874,135
Net Position--beginning				3,311,786	623,538	3,935,324
Net Position--ending				<u>\$ 5,094,472</u>	<u>\$ 714,987</u>	<u>\$ 5,809,459</u>

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

Fund Financial Statements

MAPLE SHADE SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2018

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 3,221,172	\$ -	\$ -	\$ -	\$ 3,221,172
Receivables, net	345,008	359,969			704,977
Interfund receivable	279,945	8,134			288,079
Restricted cash and cash equivalents	413,506				413,506
Total assets	\$ 4,259,631	\$ 368,103	\$ -	\$ -	\$ 4,627,734
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	13,596	109,599			123,195
Intergovernmental payable:					
State		31,065			31,065
Interfund payables	8,134	227,439			235,573
Other liabilities	4,621				4,621
Total liabilities	26,351	368,103		-	394,454
Fund Balances:					
Restricted for:					
Reserve for excess surplus	1,262,705				1,262,705
Reserve for excess surplus designated for subsequent years expenditures	1,246,215				1,246,215
Capital reserve	980,909				980,909
Maintenance reserve	704,643				704,643
Assigned to:					
Year-end encumbrances	3,535				3,535
Designated for subsequent years expenditures	128,785				128,785
Unassigned	(93,512)				(93,512)
Total fund balances	4,233,280				4,233,280
Total liabilities and fund balances	\$ 4,259,631	\$ 368,103	\$ -	\$ -	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$45,727,993 and the accumulated depreciation is \$19,365,731.	26,362,262
Accrued interest on debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(105,232)
Accounts payable related to the April 1, 2019 required PERS contribution that is not to be liquidated with current financial resources.	(484,960)
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	3,320,653
Net Pension Liability	(11,824,681)
Deferred Inflows of resources from Pensions	(2,420,049)
	(10,924,077)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Compensated Absences	(758,791)
Capital Leases	(245,313)
General Obligation Bonds	(12,982,697)
	(13,986,801)
Net position of governmental activities	\$ 5,094,472

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$ 24,798,897	\$ -	\$ -	\$ 1,779,144	\$ 26,578,041
Tuition charges	126,969				126,969
Transportation fees	86,153				86,153
Miscellaneous	119,799				119,799
Total revenues-local sources	25,131,818			1,779,144	26,910,962
State sources	14,300,793	108,435		213,500	14,622,728
Federal sources	75,528	1,234,650			1,310,178
Total revenues	39,508,139	1,343,085	-	1,992,644	42,843,868
EXPENDITURES:					
Current expense:					
Regular instruction	9,787,968	468,766			10,256,734
Special education instruction	4,755,379	584,782			5,340,161
Other instruction	967,437				967,437
Support services and undistributed costs:					
Tuition	1,698,460				1,698,460
Student & instruction related services	4,247,725	188,147			4,435,872
General administrative services	478,666				478,666
School administrative services	1,512,637				1,512,637
Central services	572,057				572,057
Plant operations and maintenance	2,548,236				2,548,236
Pupil transportation	1,020,179				1,020,179
Unallocated employee benefits	11,119,073	101,390			11,220,463
Capital outlay	354,008				354,008
Debt service:					
Principal				1,540,000	1,540,000
Interest and other charges				452,644	452,644
Total expenditures	39,061,825	1,343,085		1,992,644	42,397,554
Excess (deficiency) of revenues over (under) expenditures	446,314				446,314
Other Financing Sources (Uses):					
Transfers in					-
Transfers out					-
Proceeds of Capital Lease	163,137				163,137
Total other financing sources (uses)	163,137		-		163,137
Net change in fund balance	609,451				609,451
Fund balances, July 1	3,623,829				3,623,829
Fund balances, June 30	\$ 4,233,280	\$ -	\$ -	\$ -	\$ 4,233,280

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

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

Total net change in fund balances - governmental funds (from B-2)		\$ 609,451
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	\$ (940,516)	
Capital outlay	<u>30,242</u>	(910,274)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		1,577,198
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		105,909
The issuance of a capital lease increases long-term liabilities, however has no effect on fund balance.		(163,137)
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition to the reconciliation.		13,162
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		(396,725)
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>947,102</u>
Change in net position of governmental activities		<u>\$ 1,782,686</u>

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2018

	Business-type Activities			Total
	School Store	School Age Child Care	Food Service Program	
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 60	\$ 314,060	\$ 298,242	\$ 612,362
Accounts Receivable		32,853	42,455	75,308
Interfund Receivables			938	938
Inventories	5,000		28,464	33,464
Total Current Assets	5,060	346,913	370,099	722,072
Noncurrent Assets:				
Equipment			476,323	476,323
Less Accumulated Depreciation			(383,627)	(383,627)
Total Noncurrent Assets			92,696	92,696
Total Assets	\$ 5,060	\$ 346,913	\$ 462,795	\$ 814,768
LIABILITIES				
Current liabilities:				
Accounts Payable	\$ 89	\$ 1,912	\$ -	\$ 2,001
Compensated Absences Payable		7,130	17,261	24,391
Unearned Revenue		11,741	10,323	22,064
Other liabilities				
Interfund Payable		938	50,387	51,325
Total Liabilities	89	21,721	77,971	99,781
NET POSITION				
Net Investment in Capital Assets			92,696	92,696
Unrestricted	4,971	325,192	292,128	622,291
Total Net Position	\$ 4,971	\$ 325,192	\$ 384,824	\$ 714,987

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
for the Fiscal Year Ended June 30, 2018

	Business-type Activities			Total
	Enterprise Funds			
	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service Program</u>	
Operating revenues:				
Charges for services:				
Daily sales-reimbursable programs	\$ -	\$ -	\$ 224,787	\$ 224,787
Daily sales-non-reimbursable programs			130,214	130,214
Special functions			24,159	24,159
Program fees		375,339		375,339
Book store sales	6,623			6,623
Refund of Prior Year Expense			18,535	18,535
	<u>6,623</u>	<u>375,339</u>	<u>397,695</u>	<u>779,657</u>
Total operating revenue	<u>6,623</u>	<u>375,339</u>	<u>397,695</u>	<u>779,657</u>
Operating expenses:				
Salaries		228,818	415,448	644,266
Employee benefits		23,583	123,678	147,261
Supplies and materials		18,474	23,462	41,936
Depreciation			16,279	16,279
Management fee				
Repairs and maintenance of equipment			16,817	16,817
Cost of sales-Reimbursable	9,943	11,824	243,663	265,430
Cost of sales-Nonreimbursable			167,336	167,336
Purchased property services				
Other costs		45,062	4,442	49,504
	<u>9,943</u>	<u>327,761</u>	<u>1,011,125</u>	<u>1,348,829</u>
Total operating expenses	<u>9,943</u>	<u>327,761</u>	<u>1,011,125</u>	<u>1,348,829</u>
Operating income (loss)	<u>(3,320)</u>	<u>47,578</u>	<u>(613,430)</u>	<u>(569,172)</u>
Nonoperating revenues (expenses):				
State sources:				
State school lunch program			9,964	9,964
Federal sources:				
National school lunch program			420,863	420,863
National school breakfast program			138,802	138,802
U.S.D.A. commodities			86,856	86,856
Local sources:				
Interest revenue	1	620	582	1,203
Miscellaneous		2,691	242	2,933
	<u>1</u>	<u>3,311</u>	<u>657,309</u>	<u>660,621</u>
Total nonoperating revenues	<u>1</u>	<u>3,311</u>	<u>657,309</u>	<u>660,621</u>
Net income (loss) before contributions and transfers	<u>(3,319)</u>	<u>50,889</u>	<u>43,879</u>	<u>91,449</u>
Operating Transfer Out				
Change in net position	<u>(3,319)</u>	<u>50,889</u>	<u>43,879</u>	<u>91,449</u>
Total net position - beginning	<u>8,290</u>	<u>274,303</u>	<u>340,945</u>	<u>623,538</u>
Total net position - ending	<u>\$ 4,971</u>	<u>\$ 325,192</u>	<u>\$ 384,824</u>	<u>\$ 714,987</u>

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
for the Fiscal Year Ended June 30, 2018

	Business-type Activities			Total
	Enterprise Funds			
	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service Program</u>	
Cash flows from operating activities:				
Receipts from customers	\$ 6,837	\$ 373,290	\$ 430,442	\$ 810,569
Payments to employees		(256,945)	(529,545)	(786,490)
Payments to suppliers	(7,623)	(75,096)	(490,766)	(573,485)
Net cash used for operating activities	<u>(786)</u>	<u>41,249</u>	<u>(589,869)</u>	<u>(549,406)</u>
Cash flows from noncapital financing activities:				
Miscellaneous		2,691	242	2,933
State and Federal sources			557,022	557,022
Net cash provided by non-capital financing activities		<u>2,691</u>	<u>557,264</u>	<u>559,955</u>
Cash flows from capital activities:				
Purchases of fixed assets			(45,824)	(45,824)
			<u>(45,824)</u>	<u>(45,824)</u>
Cash flows from investing activities:				
Interest and dividends	1	620	582	1,203
Net cash provided by investing activities	<u>1</u>	<u>620</u>	<u>582</u>	<u>1,203</u>
Net increase in cash and cash equivalents	(785)	44,560	(77,847)	(34,072)
Balances - beginning of year	845	269,500	376,089	646,434
Balances - end of year	<u>\$ 60</u>	<u>\$ 314,060</u>	<u>\$ 298,242</u>	<u>\$ 612,362</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (3,320)	\$ 47,578	\$ (613,430)	\$ (569,172)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation			16,279	16,279
Federal commodities			86,856	86,856
(Increase) decrease in accounts receivable		(9,832)	5,287	(4,545)
(Increase) decrease in interfund receivable			45	45
(Increase) decrease in inventories	2,522		(11,291)	(8,769)
Increase (decrease) in unearned revenue		7,783	1,475	9,258
Increase (decrease) in interfund payable, net		(4,459)	(76,293)	(80,752)
Increase (decrease) in compensated absences payable		(130)	1,203	1,073
Increase (decrease) in accounts payable	12	309		321
Total adjustments	<u>2,534</u>	<u>(6,329)</u>	<u>23,561</u>	<u>19,766</u>
Net cash provided by (used for) operating activities	<u>\$ (786)</u>	<u>\$ 41,249</u>	<u>\$ (589,869)</u>	<u>\$ (549,406)</u>

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Private Purpose Trust Fund	Unemployment Compensation Insurance Trust Fund	Agency Fund
ASSETS:			
Cash and cash equivalents	\$ 24,781	\$ 226,498	\$ 187,769
Total assets	24,781	226,498	187,769
 LIABILITIES:			
Accounts payable	\$ -	\$ 7,447	\$ -
Payroll deductions and withholdings			1,077
Interfund payable			2,119
Due to student groups			184,573
Total liabilities		7,447	\$ 187,769
 NET POSITION:			
Held in trust for unemployment claims and other purposes	\$ 24,781	\$ 219,051	

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2018

	Private Purpose Trust Fund Scholarship Fund	Unemployment Compensation Insurance Trust Fund
ADDITIONS:		
Contributions:		
Contributions	\$ 26,775	\$ 36,945
Miscellaneous		
Total Contributions	26,775	36,945
Investment earnings:		
Interest	102	402
Net investment earnings	102	402
Total additions	26,877	37,347
DEDUCTIONS:		
Unemployment claims		50,605
Scholarships awarded	20,699	
Total deductions	20,699	50,605
Change in net position	6,178	(13,258)
Net position - beginning of the year	18,603	232,309
Net position - end of the year	\$ 24,781	\$ 219,051

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

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Township of Maple Shade School District ("School District") is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. The School District has an approximate enrollment at June 30, 2018 of 2,173 students.

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

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

Basis of Presentation

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

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

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

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

**Maple Shade 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.

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

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

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

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

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

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: trust funds and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds; an unemployment compensation trust fund, a private purpose scholarship, a student activity fund, and a payroll fund.

Measurement Focus

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental fund. Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

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

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

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

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

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.

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year end.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

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

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

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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.

**Maple Shade 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) - 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

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

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

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

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

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

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

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

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

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or law or regulations of other governments.

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

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

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

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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

2. CASH AND CASH EQUIVALENTS (Continued)

Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$5,051,264 as of June 30, 2018, \$250,000 was insured under FDIC and the remaining balance of \$4,801,264 was collateralized under GUDPA.

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		\$ 685,131	
Increased by:			
Interest earned	\$	778	
Budget Appropriation		295,000	
Transfer from Capital Projects Fund	_____	_____	
Decreased by:			
Budget withdrawal		_____	
Balance – June 30, 2018		<u>\$ 980,909</u>	

The June 30, 2018 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were utilized to fund facilities projects approved by the New Jersey Department of Education, consistent with the School District's LRFP.

4. ACCOUNTS RECEIVABLES

Accounts receivables at June 30, 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:

	General Fund	Special Revenue Fund	Capital Projects Fund	Proprietary Funds	Total
Federal	\$ -	\$ 359,969	\$ -	\$ 38,166	\$ 398,135
State	292,448			652	293,100
Other	<u>52,560</u>			<u>36,490</u>	<u>89,050</u>
Total Accounts Receivable	<u>\$ 345,008</u>	<u>\$ 359,969</u>	<u>\$ -</u>	<u>\$ 75,308</u>	<u>\$ 780,285</u>

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

5. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2017</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>Governmental Activities:</u>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 412,248	\$ -	\$ -	\$ 412,248
Construction in progress				
Total capital assets, not being Depreciated	<u>412,248</u>			<u>412,248</u>
<i>Capital Assets, being depreciated:</i>				
Site Improvements	658,916			658,916
Building and Building Improvements	41,830,002	12,122		41,842,124
Equipment	2,796,585	18,120		2,814,705
Totals at historical cost	<u>45,285,503</u>	<u>30,242</u>		<u>45,315,745</u>
<i>Less Accumulated Depreciation:</i>				
Site Improvements	(612,981)	(1,106)		(614,087)
Building and Building Improvements	(15,359,028)	(825,959)		(16,184,987)
Equipment	(2,453,206)	(113,451)		(2,566,657)
Totals accumulated depreciation	<u>(18,425,215)</u>	<u>(940,516)</u>		<u>(19,365,731)</u>
Total Capital Assets, being depreciated, net	<u>26,860,288</u>	<u>(910,274)</u>		<u>25,950,014</u>
Governmental Activities Capital Assets, Net	<u>\$ 27,272,536</u>	<u>\$ (910,274)</u>	<u>\$ -</u>	<u>\$ 26,362,262</u>

	<u>Balance</u> <u>June 30, 2017</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>Business-Type Activities:</u>				
<i>Capital Assets, being depreciated:</i>				
Equipment	\$ 430,499	\$ 45,824	\$ -	\$ 476,323
Less accumulated depreciation	<u>(367,348)</u>	<u>(16,279)</u>		<u>(383,627)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 63,151</u>	<u>\$ 29,545</u>	<u>\$ -</u>	<u>\$ 92,696</u>

Depreciation expense in the amount of \$940,516 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 658,361
Administration	94,052
Plant Operations and Maintenance	141,077
Unallocated	<u>47,026</u>
Total depreciation expense	<u>\$ 940,516</u>

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

6. INVENTORY

Inventory in the food service fund at June 30, 2018 consisted of the following:

	Food Service	School Store
Food Supplies	\$ 25,027	\$
	3,437	5,000
	\$ 28,464	\$ 5,000

7. LONG-TERM OBLIGATIONS

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

	<u>Principal Outstanding July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2018</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Other Liabilities:					
Compensated Absences	\$ 1,705,893	\$ -	\$ 947,102	\$ 758,791	\$ -
Capital Leases	188,085	163,136	105,908	245,313	103,354
Net Pension Liability	15,086,977		3,262,296	11,824,681	
Total	16,980,955	163,136	4,315,306	12,828,785	103,354
General Obligation Bonds					
Principal	14,470,000		1,540,000	12,930,000	1,525,000
Unamortized Premiums	89,895		37,198	52,697	37,198
Total	14,559,895		1,577,198	12,982,697	1,562,198
Total Governmental Activity	\$ 31,540,850	\$ 163,136	\$ 5,892,504	\$ 25,811,482	\$ 1,665,552
	<u>Principal Outstanding July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2018</u>	<u>Amounts Due Within One Year</u>
<u>Business-Type Activities:</u>					
Compensated Absences	\$ 23,318	\$ 1,072	\$	\$ 24,390	\$ -

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

2012 Refunding Bonds dated April 1, 2012 in the amount of \$11,685,000 due in annual installments through April 1, 2030, bearing interest rate of 2.75% to 3.50%.

2013 Refunding Bonds dated December 1, 2013 in the amount of \$1,245,000 due in annual installments through March 30, 2020, bearing interest rate of 3.00%.

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

7. LONG-TERM OBLIGATIONS (Continued)

As of June 30, 2018, 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	\$ 1,525,000	\$ 406,444	\$ 1,931,444
2020	1,595,000	360,693	1,955,693
2021	975,000	306,744	1,281,744
2022	965,000	277,494	1,242,494
2023	955,000	248,544	1,203,544
2024-2028	4,960,000	812,331	5,772,331
2028-2030	1,955,000	101,144	2,056,144
	<u>\$ 12,930,000</u>	<u>\$ 2,513,394</u>	<u>\$ 15,443,394</u>

As of June 30, 2018 the School District had no authorizations to issue additional bonded debt.

Capital Leases

The District is leasing four school buses, telecommunication system, security web filter, and antivirus software totaling \$509,694 under capital leases. The following is a schedule of the future minimum lease payments under these capital lease agreements:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 103,354	\$ 6,816	\$ 110,170
2020	87,390	4,128	91,518
2021	29,427	1,786	31,213
2022	25,142	816	25,958
	<u>\$ 245,313</u>	<u>\$ 13,546</u>	<u>\$ 258,859</u>

8. OPERATING LEASES

At June 30, 2018, the School District had operating lease agreements in effect for a postage machine, software, and copy machines. Total rental payments for such leases were \$115,117 for the fiscal year ended June 30, 2018. The future minimum lease payments for these leases are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2019	\$ 75,294
June 30, 2020	17,599
June 30, 2021	6,726
Total future minimum lease payments	<u>\$ 99,619</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.

**Maple Shade 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 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65.

Early retirement benefits are available to 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*.

**Maple Shade 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 \$1,655,745 and was paid by April 1, 2018. School District employee contributions to the pension plan during the fiscal year ended June 30, 2018 were \$1,214,288.

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 \$6,887,094 and revenue of \$6,887,094 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.

	06/30/17	06/30/16
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	99,416,824	116,716,190
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.1474510639%	.1483686031%

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.

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.

**Maple Shade 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)

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%	1308%
	<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.

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%) than the current rate:

**Maple Shade 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)

	1% Decrease ▼ (3.25%)	Current Discount Rate ▼ (4.25%)	1% Increase ▼ (5.25%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	<u>118,110,305</u>	<u>99,416,824</u>	<u>84,017,053</u>
	<u>\$ 118,110,305</u>	<u>\$ 99,416,824</u>	<u>\$ 84,017,053</u>

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

Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to 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.

**Maple Shade 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)

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 14.18% 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 \$470,578 and was paid by April 1, 2018. School District employee contributions to the pension plan during the fiscal year ended June 30, 2018 were \$252,915.

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	\$ 61,938	\$ -	\$ 385,703	\$ 22,937	\$ 470,578
2017	47,312	-	240,774	14,378	302,464
2016	47,188	-	217,378	14,165	278,731

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

At June 30, 2018, the School District reported a liability of \$11,824,681 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.

**Maple Shade 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)

For the year ended June 30, 2018, the School District recognized pension expense of \$867,297. At June 30, 2018, the School District reported a liability of \$11,824,681 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	\$ 278,430	\$ -
Changes of assumptions	2,382,266	2,373,532
Net Difference between projected and actual earnings on pension plan investments	80,518	
Changes in proportion	94,479	46,517
District contributions subsequent to the measurement date	484,960	
Total	\$ 3,320,653	\$ 2,420,049

\$484,960 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	\$ 190,581
2020	331,473
2021	173,789
2022	(239,447)
2023	(40,752)
Total	\$ 415,644

**Maple Shade 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	.0507967890%	.0509400355%

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%

**Maple Shade 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)

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.

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%
	<u>100.00%</u>	

**Maple Shade 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)

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:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
School Districts's proportionate share of the net pension liability	\$ 14,669,319	\$ 11,824,681	\$ 9,454,745

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

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

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

9. PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP) (Continued)

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	\$ 27,815	\$ 27,815
2017	24,611	24,611
2016	25,219	25,219

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.

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.

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

10. POST-RETIREMENT BENEFITS (CONTINUED)

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%	2.15 - 4.15%	2.10 - 8.98%
	based on years of service	based on age	based on age
Thereafter	2.00 - 5.45%	3.15 - 5.15%	3.10 - 9.98%
	based on years of service	based on age	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. 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.

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

10. POST-RETIREMENT BENEFITS (CONTINUED)

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 \$4,977,799 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.

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.

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

10. POST-RETIREMENT BENEFITS (CONTINUED)

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:

	<u>06/30/17</u>
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	85,501,908
State's portion of the net OPEB liability that was associated with the School District as a percentage of the collective net OPEB liability	0.16%

	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.

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 \$1,468,396, \$1,464,432, and \$3,964, respectively. In addition, \$1,168,600 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.

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

12. RISK MANAGEMENT

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

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

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

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

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

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

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

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017-2018	\$	\$ 36,946	\$ 401	\$ 50,605	\$ 219,051
2016-2017		34,619	221	35,118	232,309
2015-2016		37,086	204	11,652	232,587

13. DEFERRED COMPENSATION

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

14. COMPENSATED ABSENCES

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

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

14. COMPENSATED ABSENCES (CONTINUED)

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2018, the liability for compensated absences in the governmental activities and proprietary fund types was \$758,791 and \$24,390, respectively.

15. INTERFUND BALANCES AND TRANSFERS

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2019. The following interfund balances were recorded on the various balance sheets as of June 30, 2018:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 279,945	\$ 8,134
Special Revenue	8,134	227,439
Proprietary	938	51,325
Fiduciary	<u> </u>	<u>2,119</u>
	<u>\$ 289,017</u>	<u>\$ 289,017</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.

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.

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

The municipality recognized revenue of \$107,115 from the annual service charge in lieu of payment of taxes in 2017. The assessed value on these tax exemption properties amounted to \$24,327,400 which would have resulted in 2017 taxes billed in full of \$214,324. A portion of the \$107,209 abatement would have been allocated to the District.

18. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$93,512 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 payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$93,512 is equal to or less than the June state aid payment.

19. DEFICIT UNRESTRICTED NET POSITIONS

As of June 30, 2018, a deficit of \$12,366,572 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	\$ (93,512)
Liabilities:	
Accrued Interest Payable	(105,232)
Net Pension Differences	(11,409,037)
Compensated Absences	<u>(758,791)</u>
Unrestricted Net Position (Deficit)	<u>\$ (12,366,572)</u>

Maple Shade 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:

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2018 is \$1,248,935 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$1,246,215 of excess fund balance generated during the 2016-2017 fiscal year has been restricted and designated for utilization in the 2018-2019 budget.

Capital Reserve – As of June 30, 2018, the balance in the capital reserve account is \$980,909. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan.

Maintenance Reserve Account – As of June 30, 2018, the balance in the maintenance reserve account is \$704,643. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

ASSIGNED

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

General Fund:

Designated for Subsequent Year's Expenditures – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2018, \$128,785 of general fund balance.

Other Purposes – At June 30, 2018 the School District has \$3,535 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

General Fund – As of June 30, 2018, the unassigned fund balance of the general fund was a deficit of \$93,512. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

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

21. SUBSEQUENT EVENTS

On December 11, 2018 the voters of Maple Shade Township approved a \$49,780,712 Bond Referendum for repairs and improvements of all four schools and the central office.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

MAPLE SHADE 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
REVENUES:					
Local sources:					
Local tax levy	\$ 24,798,897	\$ -	\$ 24,798,897	\$ 24,798,897	\$ -
Tuition	150,000		150,000	126,969	(23,031)
Transportation fees from other LEAs	50,000		50,000	86,153	36,153
Capital reserve interest	400		400	778	378
Advertising Fees - School Buses	1,600		1,600	1,162	(438)
Unrestricted miscellaneous revenue	100,000		100,000	117,859	17,859
Total local sources	25,100,897		25,100,897	25,131,818	30,921
State sources:					
Extraordinary Aid	188,235		188,235	214,845	26,610
Nonpublic Transportation Aid				16,820	16,820
Homeless Tuition				9,208	9,208
Categorical Special Education Aid	1,222,775		1,222,775	1,222,775	
Equalization Aid	7,123,933	541,909	7,665,842	7,665,842	
Security Aid	124,422		124,422	124,422	
Transportation Aid	85,205		85,205	85,205	
Under Adequacy Aid	27,454		27,454	27,454	
PARCC Readiness Aid	22,080		22,080	22,080	
Per Pupil Growth Aid	22,080		22,080	22,080	
Professional Learning Community Aid	22,330		22,330	22,330	
On-behalf TPAF pension contributions (non-budgeted)				2,267,349	2,267,349
On-behalf TPAF Post Retirement Medical (non-budgeted)				1,464,432	1,464,432
On-behalf TPAF - LTDI (non-budgeted)				3,964	3,964
Reimbursed TPAF social security contributions (non-budgeted)				1,168,600	1,168,600
Total state sources	8,838,514	541,909	9,380,423	14,337,406	4,956,983
Federal sources:					
Medicaid Reimbursement	71,731		71,731	75,528	3,797
	71,731		71,731	75,528	3,797
TOTAL REVENUES	34,011,142	541,909	34,553,051	39,544,752	4,991,701
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool		38,409	38,409	31,240	7,169
Kindergarten	530,751	40,516	571,267	565,465	5,802
Grades 1-5	3,508,701	450,453	3,959,154	3,929,704	29,450
Grades 6-8	1,839,130	27,041	1,866,171	1,828,435	37,736
Grades 9-12	2,323,392	107,475	2,430,867	2,383,564	47,303
Total Instruction	8,201,974	663,894	8,865,868	8,738,408	127,460
Regular Programs - Home Instruction:					
Salaries of teachers	35,003	(26,503)	8,500	5,877	2,623
Purchased professional - educational services	10,200	66,500	76,700	62,382	14,318
Total Home Instruction	45,203	39,997	85,200	68,259	16,941

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

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MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2018

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	\$ 102,313	\$ -	\$ 102,313	\$ 100,084	\$ 2,229
Purchased professional - educational services	496,080	(60,000)	436,080	367,351	68,729
Other purchased services	100,989		100,989	87,327	13,662
General supplies	347,340	7,632	354,972	333,041	21,931
Textbooks	95,421	(20,030)	75,391	73,240	2,151
Other objects	22,454		22,454	20,258	2,196
Total Undistributed Instruction	1,164,597	(72,398)	1,092,199	981,301	110,898
Total - Regular Programs - Instruction	9,411,774	631,493	10,043,267	9,787,968	255,299
Special Educ Instruction: Learning/Lang.					
Salaries of teachers	828,682	11,224	839,906	800,649	39,257
Other salaries for instruction	558,747	(49,577)	509,170	509,158	12
General supplies	22,707		22,707	17,524	5,183
Textbooks	10,777	(759)	10,018	6,540	3,478
Total Learning/Language Disabilities	1,420,913	(39,112)	1,381,801	1,333,871	47,930
Special Educ Instruction: Behavioral Disabilities					
Salaries of teachers	461,456	(83,849)	377,607	355,308	22,299
Other salaries for instruction	140,830	(26,724)	114,106	111,857	2,249
Purchased Professional - ED. Service	7,471		7,471	3,080	4,391
General supplies	18,268		18,268	18,158	110
Textbooks	9,104		9,104	9,046	58
Total Behavioral Disabilities	637,129	(110,573)	526,556	497,449	29,107
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	486,326		486,326	480,402	5,924
Other salaries for instruction	246,520	(31,000)	215,520	214,440	1,080
Other purchased services	300		300		300
General supplies	22,740		22,740	19,626	3,114
Textbooks	7,407		7,407	5,094	2,313
Total Multiple Disabilities	763,293	(31,000)	732,293	719,562	12,731
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	1,423,306	79,591	1,502,897	1,495,748	7,149
Other salaries for instruction	163,702	63,410	227,112	227,109	3
General supplies	11,504		11,504	9,854	1,650
Textbooks	7,096		7,096	7,096	
Total Resource Room/Resource Center	1,605,608	143,001	1,748,609	1,739,807	8,802
Special Educ Instruction: Autism					
Salaries of teachers	57,465		57,465	56,573	892
Other salaries for instruction	47,672		47,672	46,348	1,324
General supplies	1,356		1,356	1,356	
Other Objects	100		100	100	
Total Autism	106,593		106,593	104,377	2,216

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

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MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2018

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Educ Instruction: Preschool Disabilities - Part Time					
Salaries of teachers	\$ 207,211	\$ 5,601	\$ 212,812	\$ 210,771	\$ 2,041
Other Salaries for Instruction	126,271	(9,700)	116,571	115,608	963
Other Purchased Services (400-500 series)	100		100	40	60
General supplies	3,000		3,000	2,131	869
Other objects	90		90	90	90
Total Preschool Disabilities - Part Time	<u>336,672</u>	<u>(4,099)</u>	<u>332,573</u>	<u>328,550</u>	<u>4,023</u>
Special Educ Instruction: Home Instruction					
Salaries of teachers	25,000	(17,230)	7,770	7,763	7
Purchased Professional- Educational Services	24,000		24,000	24,000	
Total Home Instruction	<u>49,000</u>	<u>(17,230)</u>	<u>31,770</u>	<u>31,763</u>	<u>7</u>
Total Special Education - Instruction	<u>4,919,208</u>	<u>(59,013)</u>	<u>4,860,195</u>	<u>4,755,379</u>	<u>104,816</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	390,682	(202,206)	188,476	180,514	7,962
Purchased Professional - Educational Services	500		500	500	
General supplies	1,500		1,500	1,500	
Total Basic Skills/Remedial - Instruction	<u>392,682</u>	<u>(202,206)</u>	<u>190,476</u>	<u>181,014</u>	<u>9,462</u>
Bilingual Education - Instruction					
Salaries of teachers	190,249		190,249	189,373	876
General supplies	6,000		6,000	4,542	1,458
Total Bilingual Education - Instruction	<u>196,249</u>		<u>196,249</u>	<u>193,915</u>	<u>2,334</u>
School-Sponsored Cocurricular Act - Inst.					
Salaries	103,640	996	104,636	104,621	15
Other objects	23,000		23,000	23,000	
Total School-Sponsored Cocurr. Act. - Inst	<u>126,640</u>	<u>996</u>	<u>127,636</u>	<u>127,621</u>	<u>15</u>
School-Sponsored Athletics - Inst.					
Salaries	358,957	(996)	357,961	338,028	19,933
Other purchased services	20,250		20,250	20,191	59
Supplies and Materials	56,500	(4,122)	52,378	51,718	660
Other objects	54,950		54,950	54,950	
Total School-Sponsored Athletics - Inst	<u>490,657</u>	<u>(5,118)</u>	<u>485,539</u>	<u>464,887</u>	<u>20,652</u>
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - regular	75,224	(17,109)	58,115	58,115	
Tuition to other LEAs within the state - special		65,040	65,040	65,013	27
Tuition county voc. school dist. - regular	155,711		155,711	155,711	
Tuition county voc. school dist. - special	66,260		66,260	66,260	
Tuition to CSSD & reg. day schools	326,314	(53,089)	273,225	272,633	592
Tuition to priv. sch. for the disabled w/i state	878,454	65,578	944,032	943,211	821
Tuition - State Facilities	65,904		65,904	65,904	
Tuition - other		71,613	71,613	71,613	
Total Undistributed Expenditures - Instruction	<u>1,567,867</u>	<u>132,033</u>	<u>1,699,900</u>	<u>1,698,460</u>	<u>1,440</u>
Undistributed Expenditures - Attendance & Social Work					
Salaries	32,397	500	32,897	32,723	174
Total Undistributed Expenditures - Instruction	<u>32,397</u>	<u>500</u>	<u>32,897</u>	<u>32,723</u>	<u>174</u>

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

MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2018

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Health Services					
Salaries	\$ 343,912	\$ (500)	\$ 343,412	\$ 339,653	\$ 3,759
Purchased professional and tech. services	9,219		9,219	6,061	3,158
Supplies and Materials	6,215		6,215	5,003	1,212
Other Objects	4,364		4,364	3,812	552
Total Undistributed Expenditures - Health Svcs.	<u>363,710</u>	<u>(500)</u>	<u>363,210</u>	<u>354,529</u>	<u>8,681</u>
Undist. Expend. - Speech, OT, PT & Rel. Serv.					
Salaries	446,917		446,917	434,357	12,560
Purchased professional - educ services	17,000	3,000	20,000	20,000	
Other objects	5,080		5,080	4,865	215
Total Undst. Expend. - Speech, OT, PT & Rel. Serv.	<u>468,997</u>	<u>3,000</u>	<u>471,997</u>	<u>459,222</u>	<u>12,775</u>
Undist. Expend. - Guidance					
Salaries of other professional staff	630,713	105,000	735,713	734,297	1,416
Salaries of secretarial and clerical assistants	62,436	5,000	67,436	66,876	560
Supplies and materials	1,417		1,417	238	1,179
Total Undst. Expend. - Guidance	<u>694,566</u>	<u>110,000</u>	<u>804,566</u>	<u>801,411</u>	<u>3,155</u>
Undist. Expend. - Child Study Team					
Salaries of other professional staff	675,014	(21,000)	654,014	653,971	43
Salaries of secretarial and clerical assistants	71,950	(10,000)	61,950	61,869	81
Purchased professional - educ services	1,038,412	134,600	1,173,012	1,172,996	16
Other purchased prof. and tech. services	69,431	(43,276)	26,155	25,976	179
Supplies and materials	15,879	23,620	39,499	35,925	3,574
Other objects	5,326	(420)	4,906	4,828	78
Total Undst. Expend. - Child Study Team	<u>1,876,012</u>	<u>83,524</u>	<u>1,959,536</u>	<u>1,955,565</u>	<u>3,971</u>
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	249,337		249,337	248,074	1,263
Other Salaries	41,820	51,680	93,500	86,245	7,255
Purchased Prof. Educational services	2,000	(180)	1,820		1,820
Other purchased prof. and tech. services	17,061	25,925	42,986	22,023	20,963
Supplies and materials	21,224	(7,925)	13,299	13,299	
Total Undst. Expend. - Improvement of Instr. Services	<u>331,442</u>	<u>69,500</u>	<u>400,942</u>	<u>369,641</u>	<u>31,301</u>
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	250,112	13,000	263,112	261,514	1,598
Purchased professional and tech. services	7,000		7,000	5,006	1,994
Supplies and materials	9,852	760	10,612	8,114	2,498
Total Undst. Expend. - Educ. Media Serv./Sch. Library	<u>266,964</u>	<u>13,760</u>	<u>280,724</u>	<u>274,634</u>	<u>6,090</u>
Undist. Expend. - Instructional Staff Training Services					
Purchased professional and tech services	1,000		1,000		1,000
Other Purchased Services	1,200		1,200		1,200
Total Undst. Expend. - Instructional Staff Training Services	<u>2,200</u>		<u>2,200</u>		<u>2,200</u>

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

(CONTINUED TO NEXT PAGE)

MAPLE SHADE 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	\$ 244,140	\$ -	\$ 244,140	\$ 243,899	\$ 241
Legal services	60,000		60,000	33,211	26,789
Audit fees	26,700		26,700	26,700	
Architectural/Engineering Fees	15,000		15,000	350	14,650
Other purchased professional services	10,065	55,000	65,065	5,126	59,939
Communications / telephone	112,400		112,400	97,961	14,439
BOE Other Purchased Services	7,580	(3,500)	4,080	3,079	1,001
Other purchased services	51,266	3,500	54,766	45,025	9,741
General supplies	5,000		5,000	1,871	3,129
Misc. expenditures	6,450		6,450	5,402	1,048
BOE membership dues and fees	16,800		16,800	16,042	758
Total Undst. Expend. - Supp. Serv. General Admin.	555,401	55,000	610,401	478,666	131,735
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	852,370	95,880	948,250	948,246	4
Salaries of other professional staff	246,712	(880)	245,832	243,744	2,088
Salaries of secretarial and clerical assistants	270,659		270,659	259,904	10,755
Purchased professional and technical services	7,000		7,000	3,702	3,298
Other purchased services	14,000		14,000	10,862	3,138
Supplies and materials	53,985	(2,398)	51,587	46,179	5,408
Other Objects		50,000	50,000		50,000
Total Undst. Expend. - Supp. Serv. School Admin.	1,444,726	142,602	1,587,328	1,512,637	74,691
Undist. Expend. - Central Services					
Salaries	329,915	1,810	331,725	331,574	151
Purchased Professional Services		58,000	58,000		58,000
Purchased Technical Services	27,312	(100)	27,212	27,212	
Misc. purchased services	8,634	100	8,734	7,345	1,389
Supplies and Materials	9,500		9,500	9,271	229
Interest on Lease Purchase Agreements	4,000	(1,810)	2,190		2,190
Misc. expenditures	8,500		8,500	8,064	436
Total Undst. Expend. - Central Services	387,861	58,000	445,861	383,466	62,395
Undist. Expend. - Admin. Info. Tech.					
Salaries	54,024		54,024	53,751	273
Purchased technical services	72,100		72,100	69,836	2,264
Other purchased services	1,060		1,060	176	884
Supplies and materials	66,560		66,560	64,828	1,732
Total Undst. Expend. - Admin. Info. Tech.	193,744		193,744	188,591	5,153
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	358,387		358,387	339,013	19,374
Cleaning, repair, and maintenance services	418,345	34,995	453,340	387,225	66,115
Travel		500	500		500
General supplies	46,500		46,500	44,290	2,210
Other objects	11,700	(500)	11,200	7,712	3,488
Total Undst. Expend. - Required Maint. Sch. Facilities	834,932	34,995	869,927	778,240	91,687

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

(CONTINUED TO NEXT PAGE)

MAPLE SHADE 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. - Other Oper. & Maint. of Plant					
Salaries	\$ 935,817	\$ -	\$ 935,817	\$ 853,628	\$ 82,189
Salaries of Non - Instructional Aides	47,703		47,703	44,078	3,625
Purchased professional & tech. services	21,000	(3,994)	17,006	14,214	2,792
Cleaning, repair, and maintenance services	12,700		12,700	5,826	6,874
Insurance	111,815		111,815	111,815	
Misc. purchased services	2,500		2,500	2,184	316
General supplies	81,200	1,000	82,200	79,042	3,158
Energy (Natural Gas)	208,202		208,202	143,258	64,944
Energy (Electricity)	607,005	(20,308)	586,697	428,231	158,466
Total Undst. Expend. - Other oper. & Maint. of Plant	2,027,942	(23,302)	2,004,640	1,682,276	322,364
Undist. Expend. - Security					
Purchased professional & tech. services	87,720		87,720	87,720	
Total Undst. Expend. - Security	87,720		87,720	87,720	
Total Undst. Expend. - Oper. & Maint. of Plant Services	2,950,594	11,693	2,962,287	2,548,236	414,051
Undist. Expend. - Student Trans. Services					
Salaries of non-instructional aids	96,828		96,828	88,436	8,392
Salaries for pupil trans (bet home & sch) - reg.	284,707		284,707	260,794	23,913
Salaries for pupil trans (bet home & sch) - spec ed.	113,434		113,434	105,280	8,154
Salaries for pupil trans (other than bet home & sch)	71,742	(10,000)	61,742	50,009	11,733
Salaries -Student Trans Home -School -Nonpublic	20,036		20,036	12,243	7,793
Other purchased prof. and tech. services	28,560		28,560	2,861	25,699
Cleaning, repair, and maintenance services	142,107	(30,000)	112,107	102,022	10,085
Lease Purchase Payments - School Buses	71,177	30,000	101,177	71,176	30,001
Contr. serv. - aid in lieu of payments-nonpub school	73,645		73,645	71,525	2,120
Contr. serv. - aid in lieu of payments-Charter School	4,500	(3,840)	660		660
Contr. serv. (bet home & sch) - joint agreements	28,763	25,000	53,763	34,706	19,057
Contr. serv. (sp ed stds) - vendors	95,496	(15,000)	80,496	80,046	450
Travel		2,500	2,500	1,287	1,213
Misc. purchased services - transportation	70,872	(2,500)	68,372	67,824	548
Transportation supplies	102,314		102,314	71,970	30,344
Fuel Costs Funded by Advertising Revenue	1,600		1,600		1,600
Total Undst. Expend. - Student Trans. Services	1,205,781	(3,840)	1,201,941	1,020,179	181,762
Unallocated Benefits - Employee Benefits					
Social security contributions	457,650		457,650	426,222	31,428
Other retirement contributions - PERS	480,024		480,024	414,774	65,250
Other retirement contributions - Regular	45,000		45,000	38,456	6,544
Unemployment Compensation					
Workmen's compensation	315,632	(20,249)	295,383	271,213	24,170
Health benefits	5,500,000	(502,242)	4,997,758	4,553,693	444,065
Tuition reimbursement	35,000		35,000	28,367	6,633
Other Employee Benefits	310,000		310,000	300,381	9,619
Unused Sick Payment to Terminated/Retired Staff	162,317	19,305	181,622	181,622	
Total Unallocated Benefits - Employee Benefits	7,305,623	(503,186)	6,802,437	6,214,728	587,709
On-behalf TPAF pension contributions (non-budgeted)				2,267,349	(2,267,349)
On-behalf TPAF Post Retirement Medical (non-budgeted)				1,464,432	(1,464,432)
On-behalf TPAF - LTDI (non-budgeted)				3,964	(3,964)
Reimbursed TPAF social security contributions (non-budgeted)				1,168,600	(1,168,600)
Total Undistributed Expenditures - TPAF				4,904,345	(4,904,345)

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

MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2018

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Total Undistributed Expenditures	\$ 19,647,885	\$ 172,086	\$ 19,819,971	\$ 23,197,033	\$ (3,377,062)
Total General Current Expense	35,185,095	538,238	35,723,333	38,707,817	(2,984,484)
EXPENDITURES:					
CAPITAL OUTLAY:					
Equipment:					
Undistributed Expenditures - Grades 9-12		17,000	17,000	16,553	447
Undistributed Expenditures - School spon. & other instr. prog	32,000		32,000	32,000	
Undistributed Expenditures - Instruction		12,122	12,122	12,122	
Undist Expend - General Administration					
Undist Expend - Req. Maint. School Facilities					
Total Equipment	32,000	29,122	61,122	60,675	447
Facilities Acquisition and Construction Services					
Lease Purchase Agreements - Principal		25,958	25,958	25,958	
Assessment for Debt Service on SDA Funding	104,238		104,238	104,238	
Total Facilities Acquisition and Construction Services	104,238	25,958	130,196	130,196	
Assets acquired under capital leases (non-budgeted):					
Equipment					
Noninstructional Equipment				163,137	(163,137)
Total Assets acquired under capital leases				163,137	(163,137)
Total Capital Outlay	136,238	55,080	191,318	354,008	(162,690)
Transfer of Funds to Charter Schools	21,409	(21,409)			
Total Expenditures	\$ 35,342,742	\$ 571,909	\$ 35,914,651	\$ 39,061,825	\$ (3,147,174)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,331,600)	(30,000)	(1,361,600)	482,927	1,844,527
Other Financing Sources:					
Proceeds of Capital Lease				163,137	163,137
Total Other Financing Sources				163,137	163,137
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(1,331,600)	(30,000)	(1,361,600)	646,064	2,007,664
Fund Balance, July 1	4,404,045		4,404,045	4,404,045	
Fund Balance, June 30	\$ 3,072,445	\$ (30,000)	\$ 3,042,445	\$ 5,050,109	\$ 2,007,664

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

(CONTINUED TO NEXT PAGE)

**MAPLE SHADE 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
Recapitulation of fund balance:					
Restricted Fund Balance:					
Reserve for Excess Surplus				\$ 1,262,705	
Reserve for Excess Surplus - Designated for Subsequent Year's Expenditures				1,246,215	
Maintenance Reserve				704,643	
Capital Reserve				980,909	
Assigned Fund Balance					
Year-end encumbrances				3,535	
Designated for Subsequent Year's Expenditures				128,785	
Unassigned Fund Balance					
				723,317	
				5,050,109	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				(816,829)	
Fund balance per Governmental Funds (GAAP)				\$ 4,233,280	

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

MAPLE SHADE SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2018

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	70,000	69,500	139,500	108,435	(31,065)
Federal sources	971,579	309,268	1,280,847	1,234,650	(46,197)
Total revenues	<u>1,041,579</u>	<u>378,768</u>	<u>1,420,347</u>	<u>1,343,085</u>	<u>(77,262)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	338,712	73,073	411,785	390,325	21,460
Purchased professional - tech. services		52,831	52,831	52,831	
Other purchased services		624	624	624	
General supplies		18,561	18,561	15,551	3,010
Tuition	600,000	(17,122)	582,878	582,878	
Textbooks		11,339	11,339	11,339	
Total instruction	<u>938,712</u>	<u>139,306</u>	<u>1,078,018</u>	<u>1,053,548</u>	<u>24,470</u>
Support services:					
Salaries of teachers		14,411	14,411	14,411	
Personal services - employee benefits		101,390	101,390	101,390	
Purchased professional - educ. services	70,000	50,502	120,502	103,143	17,359
Purchase professional and technical services		91,767	91,767	56,334	35,433
Other purchased services (400-500)	32,867	(32,867)			
Supplies and materials		14,259	14,259	14,259	
Total support services	<u>102,867</u>	<u>239,462</u>	<u>342,329</u>	<u>289,537</u>	<u>52,792</u>
Facilities acquisition and construction services:					
Buildings/Renovation					
Non-instructional equipment					
Total facilities acq. and const. services					
Transfer to Charter Schools					
Total expenditures	<u>1,041,579</u>	<u>378,768</u>	<u>1,420,347</u>	<u>1,343,085</u>	<u>77,262</u>
Total outflows	<u>1,041,579</u>	<u>378,768</u>	<u>1,420,347</u>	<u>1,343,085</u>	<u>77,262</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 39,544,752	\$ 1,343,085
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	780,216	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(816,829)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 39,508,139</u>	<u>\$ 1,343,085</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 39,061,825	\$ 1,343,085
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 39,061,825</u>	<u>\$ 1,343,085</u>

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

MAPLE SHADE 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)	0.0507967890%	0.0509400355%	0.0502798661%	0.0505091321%	0.0503650016%
District's proportionate share of the net pension liability (asset)	\$ 11,824,681	\$ 15,086,977	\$ 11,286,822	\$ 9,456,691	\$ 9,625,753
District's covered-employee payroll	3,420,923	3,471,904	3,508,977	3,463,409	3,370,714
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	345.66%	434.54%	321.66%	273.05%	285.57%
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.

MAPLE SHADE 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	\$ 484,960	\$ 473,824	\$ 452,544	\$ 432,272	\$ 416,390
Contributions in relation to the contractually required contributions	<u>(484,960)</u>	<u>(473,824)</u>	<u>(452,544)</u>	<u>(432,272)</u>	<u>(416,390)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	3,420,923	3,471,904	3,508,977	3,463,409	3,370,714
Contributions as a percentage of covered-employee payroll	14.18%	13.65%	12.90%	12.48%	12.35%

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

MAPLE SHADE SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last 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)	0.1474510639%	0.1483686031%	0.1440720067%	0.1377576796%	0.1362367249%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 99,416,824</u>	<u>\$ 116,716,190</u>	<u>\$ 91,059,661</u>	<u>\$ 73,626,996</u>	<u>\$ 68,852,969</u>
Total	<u><u>\$ 99,416,824</u></u>	<u><u>\$ 116,716,190</u></u>	<u><u>\$ 91,059,661</u></u>	<u><u>\$ 73,626,996</u></u>	<u><u>\$ 68,852,969</u></u>
District's covered-employee payroll	16,247,875	15,754,286	15,608,940	15,191,703	14,785,112
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	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.

MAPLE SHADE 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

	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.16%
District's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 85,501,908
Total proportionate share of the net OPEB liability (asset) associated with the District	\$ 85,501,908
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%
	June 30, 2018
Total OPEB Liability	
Service Cost	\$ 3,479,143
Interest	2,707,470
Changes of assumptions and other inputs	(11,244,060)
Member Contributions	72,924
Benefit payments	(1,980,406)
Net Change in total OPEB Liability	\$ (6,964,929)
Total OPEB Liability - beginning	\$ 92,466,837
Total OPEB Liability - ending	\$ 85,501,908
District's covered-employee payroll	19,668,798
Total OPEB Liability as a percentage of covered-employee payroll	434.71%

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

Maple Shade 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

MAPLE SHADE 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 2018
REVENUES:			
State sources	\$ 108,435	\$ -	\$ 108,435
Federal sources		1,234,650	1,234,650
Local sources			
Total Revenues	108,435	1,234,650	1,343,085
EXPENDITURES:			
Instruction:			
Salaries of teachers		390,325	390,325
Purchase professional and technical services		52,831	52,831
Other purchased services		624	624
General supplies	7,659	7,892	15,551
Tuition		582,878	582,878
Textbooks	11,339		11,339
Total instruction	18,998	1,034,550	1,053,548
Support services:			
Salaries for Supervisor of Instruction			
Salaries of other professional staff		14,411	14,411
Personal services-employee benefits		101,390	101,390
Purchased prof. and educational services	89,437	13,706	103,143
Purchase professional and technical services		56,334	56,334
Other purchased services (400-500)			
Supplies and materials		14,259	14,259
Total support services	89,437	200,100	289,537
Facilities acquisition and const. serv.:			
Building/Renovation			
Non-instructional equipment			
Total facilities acquisition and const. serv.:			
Total Expenditures	108,435	1,234,650	1,343,085
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)			

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

	<u>Chapter 192 - Auxiliary Services</u>		<u>Chapter 193 - Handicapped Services</u>		<u>Nonpublic</u>				<u>Carried Forward (Exh. E-1A)</u>
	<u>Comp. Education</u>	<u>E.S.L.</u>	<u>Corrective Speech</u>	<u>Exam & Classification</u>	<u>Textbook</u>	<u>Nursing</u>	<u>Technology</u>	<u>Security</u>	
REVENUES:									
State sources	\$ 41,987	\$ -	\$ 5,357	\$ 8,919	\$ 11,339	\$ 20,273	\$ 7,659	\$ 12,901	\$ 108,435
Federal sources									
Local sources									
Total Revenues	41,987		5,357	8,919	11,339	20,273	7,659	12,901	108,435
EXPENDITURES:									
Instruction:									
Tuition									
Professional educational services									
Purchase professional and technical services									
Supplies							7,659		7,659
Textbooks					11,339				11,339
Other objects									
Total instruction					11,339		7,659		18,998
Support services:									
Salaries of supervisors for instruction									
Personal services-employee benefits									
Professional educational services	41,987		5,357	8,919		20,273		12,901	89,437
Other purchased services (400-500)									
Other objects									
Total support services	41,987		5,357	8,919		20,273		12,901	89,437
Facilities acquisition and const. serv.:									
Instructional equipment									
Non-instructional equipment									
Total facilities acquisition and const. serv.:									
Total Expenditures	41,987		5,357	8,919	11,339	20,273	7,659	12,901	108,435
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)									

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

	Title I	Title IIA	Title III	Title III - Immigrant	Title IV	Individuals with Disabilities Act		Temporary	Totals
	Current Yr.	Current Yr.	Current Yr.	Current Yr.	Current Yr.	Basic	Preschool	Emergency Impact Aid	
REVENUES:									
State sources									
Federal sources	\$ 523,326	\$ 55,029	\$ 17,970	\$ 3,695	\$ 9,752	\$ 593,558	\$ 17,820	\$ 13,500	\$ 1,234,650
Local sources									
Total Revenues	523,326	55,029	17,970	3,695	9,752	593,558	17,820	13,500	1,234,650
EXPENDITURES:									
Instruction:									
Salaries of teachers	368,384		14,039	3,695	4,207				390,325
Purchase professional and technical services	51,041				1,790				52,831
Other purchased services								624	624
Tuition						565,313	17,565		582,878
General supplies	961				3,755	1,904		1,272	7,892
Other objects									
Total instruction	420,386		14,039	3,695	9,752	567,217	17,565	1,896	1,034,550
Support services:									
Salaries for Supervisor of Instruction								8,446	14,411
Salaries of other professional staff	2,565	3,400							13,706
Purchased prof. and educational services						13,706			101,390
Personal services-employee benefits	97,459		3,931						56,334
Purchase professional and technical services		43,444				12,635	255		14,259
Other purchased services									
Supplies and materials	2,916	8,185						3,158	
Total support services	102,940	55,029	3,931			26,341	255	11,604	200,100
Facilities acquisition and const. serv.:									
Instructional equipment									
Non-instructional equipment									
Total facilities acquisition and const. serv.:									
Total Expenditures	523,326	55,029	17,970	3,695	9,752	593,558	17,820	13,500	1,234,650
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)									

**Proprietary Funds
Detail Statements**

MAPLE SHADE SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Position
as of June 30, 2018

	School Store	School Age Child Care	Food Service	Total
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 60	\$ 314,060	\$ 298,242	\$ 612,362
Accounts receivable:				
State			652	652
Federal			38,166	38,166
Other		32,853	3,637	36,490
Interfund			938	938
Inventories	5,000		28,464	33,464
Total current assets	5,060	346,913	370,099	722,072
Fixed assets:				
Equipment			476,323	476,323
Less Accumulated depreciation			(383,627)	(383,627)
Total fixed assets			92,696	92,696
Total assets	\$ 5,060	\$ 346,913	\$ 462,795	\$ 814,768
LIABILITIES:				
Current liabilities:				
Accounts payable	\$ 89	\$ 1,912	\$ -	\$ 2,001
Compensated absences payable		7,130	17,261	24,391
Unearned revenue		11,741	10,323	22,064
Other liabilities				
Interfund payable		938	50,387	51,325
Total current liabilities	89	21,721	77,971	99,781
NET POSITION:				
Net investment in capital assets			92,696	92,696
Unreserved retained earnings	4,971	325,192	292,128	622,291
Total net position	\$ 4,971	\$ 325,192	\$ 384,824	\$ 714,987

MAPLE SHADE SCHOOL DISTRICT
Enterprise Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
for the Fiscal Year ended June 30, 2018

	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service</u>	<u>Total</u>
OPERATING REVENUES:				
Local sources:				
Daily sales-reimbursable programs:				
School lunch program	\$ -	\$ -	\$ 224,787	\$ 224,787
Total-daily sales-reimbursable programs			224,787	224,787
Daily sales non-reimbursable programs				
School store sales	6,623		130,214	130,214
Program fees		375,339		375,339
Special functions			24,159	24,159
Refund of Prior Year Expense			18,535	18,535
Total operating revenue	<u>6,623</u>	<u>375,339</u>	<u>397,695</u>	<u>779,657</u>
OPERATING EXPENSES:				
Salaries		228,818	415,448	644,266
Employee benefits		23,583	123,678	147,261
Supplies and materials		18,474	23,462	41,936
Depreciation			16,279	16,279
Management fee				
Repairs and maintenance of equipment			16,817	16,817
Cost of Sales-Reimbursable	9,943	11,824	243,663	265,430
Cost of Sales- Nonreimbursable			167,336	167,336
Purchased property services				
Other		45,062	4,442	49,504
Total operating expenses	<u>9,943</u>	<u>327,761</u>	<u>1,011,125</u>	<u>1,348,829</u>
Operating income (loss)	<u>(3,320)</u>	<u>47,578</u>	<u>(613,430)</u>	<u>(569,172)</u>
Non-operating revenues:				
State sources:				
State school lunch program			9,964	9,964
Federal sources:				
National school lunch program			420,863	420,863
National school breakfast program			138,802	138,802
U.S.D.A. commodities			86,856	86,856
Interest revenue	1	620	582	1,203
Miscellaneous		2,691	242	2,933
Total non-operating revenues	<u>1</u>	<u>3,311</u>	<u>657,309</u>	<u>660,621</u>
Net income (loss) before contributions and transfers	<u>(3,319)</u>	<u>50,889</u>	<u>43,879</u>	<u>91,449</u>
Operating transfer out				
Change in net position	<u>(3,319)</u>	<u>50,889</u>	<u>43,879</u>	<u>91,449</u>
Net Position - July 1	<u>8,290</u>	<u>274,303</u>	<u>340,945</u>	<u>623,538</u>
Net Position - June 30	<u>\$ 4,971</u>	<u>\$ 325,192</u>	<u>\$ 384,824</u>	<u>\$ 714,987</u>

MAPLE SHADE SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
for the Fiscal Year ended June 30, 2018

	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service</u>	<u>Total</u>
Cash flows from operating activities:				
Cash receipts from customers	\$ 6,837	\$ 373,290	\$ 430,442	\$ 810,569
Cash payments to employees for services		(256,945)	(529,545)	(786,490)
Cash payments to suppliers for goods and services	<u>(7,623)</u>	<u>(75,096)</u>	<u>(490,766)</u>	<u>(573,485)</u>
Net cash used by operating activities	<u>(786)</u>	<u>41,249</u>	<u>(589,869)</u>	<u>(549,406)</u>
Cash flows from noncapital financing activities:				
Miscellaneous		2,691	242	2,933
Operating transfer out				
Cash received from state and federal reimbursements			<u>557,022</u>	<u>557,022</u>
Net cash provided by noncapital financing activities		<u>2,691</u>	<u>557,264</u>	<u>559,955</u>
Cash flows from capital financing activities:				
Purchases of fixed assets			<u>(45,824)</u>	<u>(45,824)</u>
Net cash used by capital financing activities			<u>(45,824)</u>	<u>(45,824)</u>
Cash flows from investing activities:				
Interest on investments	<u>1</u>	<u>620</u>	<u>582</u>	<u>1,203</u>
Net cash provided by investing activities	<u>1</u>	<u>620</u>	<u>582</u>	<u>1,203</u>
Net increase (decrease) in cash and cash equivalents	(785)	44,560	(77,847)	(34,072)
Cash and cash equivalents, July 1	<u>845</u>	<u>269,500</u>	<u>376,089</u>	<u>646,434</u>
Cash and cash equivalents, June 30	<u>\$ 60</u>	<u>\$ 314,060</u>	<u>\$ 298,242</u>	<u>\$ 612,362</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (3,320)	\$ 47,578	\$ (613,430)	\$ (569,172)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:				
Depreciation			16,279	16,279
Federal commodities			86,856	86,856
Change in assets and liabilities:				
(Increase)/decrease in accounts receivable		(9,832)	5,287	(4,545)
(Increase)/decrease in interfund receivable			45	45
(Increase)/decrease in inventory	2,522		(11,291)	(8,769)
Increase/(decrease) in unearned revenue		7,783	1,475	9,258
Increase/(decrease) in interfund payable		(4,459)	(76,293)	(80,752)
Increase/(decrease) in compensated absences payable		(130)	1,203	1,073
Increase/(decrease) in accounts payable	<u>12</u>	<u>309</u>		<u>321</u>
Net cash used by operating activities	<u>\$ (786)</u>	<u>\$ 41,249</u>	<u>\$ (589,869)</u>	<u>\$ (549,406)</u>

**Fiduciary Funds
Detail Statements**

MAPLE SHADE SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Net Position
June 30, 2018

	Agency Funds		Private Purpose Trust Fund	Employee Benefits Trust Fund	Total
	Student Activity	Payroll		Unemployment Compensation Insurance Fund	
ASSETS:					
Cash and cash equivalents	\$ 184,573	\$ 3,196	\$ 24,781	\$ 226,498	\$ 439,048
Interfund receivable					
TOTAL ASSETS	\$ 184,573	\$ 3,196	\$ 24,781	\$ 226,498	\$ 439,048
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable				7,447	7,447
Payroll deductions and withholdings		1,077			1,077
Interfund payable		2,119			2,119
Due to student groups	184,573				184,573
Total liabilities	184,573	3,196	-	7,447	195,216
FUND BALANCES:					
Reserved for unemployment claims				219,051	219,051
Unreserved			24,781		24,781
Total fund balances	---	---	24,781	219,051	243,832
TOTAL LIABILITIES AND FUND BALANCES	\$ 184,573	\$ 3,196	\$ 24,781	\$ 226,498	\$ 439,048

MAPLE SHADE SCHOOL DISTRICT
Fiduciary Fund
Combining Statement of Changes in Fiduciary Net Position
for the Fiscal Year ended June 30, 2018

	Private Purpose Trust Fund	Employee Benefits Trust Fund Unemployment Compensation Insurance Fund	Total
REVENUES:			
Local sources:			
Contributions	\$ 26,775	\$ 36,945	\$ 63,720
Interest on Investments	102	402	504
Total Revenues	26,877	37,347	64,224
EXPENDITURES:			
Current Expense:			
Undistributed Expenditures:			
Unemployment claims		50,605	50,605
Scholarship payments	20,699		20,699
Total Expenditures	20,699	50,605	71,304
Excess (deficiency) of revenues over (under) expenditures)	6,178	(13,258)	(7,080)
Fund Balance July 1	18,603	232,309	250,912
Fund Balance June 30	<u>\$ 24,781</u>	<u>\$ 219,051</u>	<u>\$ 243,832</u>

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

	<u>Balance</u> <u>July 1, 2017</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Accounts</u> <u>Payable</u> <u>June 30, 2018</u>	<u>Balance</u> <u>June 30, 2018</u>
JUNIOR/SENIOR HIGH SCHOOLS:					
Maple Shade: Activities	<u>\$ 146,542</u>	<u>\$ 484,706</u>	<u>\$ 446,675</u>	<u>\$ -</u>	<u>\$ 184,573</u>
Total	<u><u>\$ 146,542</u></u>	<u><u>\$ 484,706</u></u>	<u><u>\$ 446,675</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 184,573</u></u>

MAPLE SHADE SCHOOL DISTRICT
Payroll Agency Fund
 Schedule of Receipts and Disbursements
 for the Fiscal Year ended June 30, 2018

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
ASSETS:				
Cash and cash equivalents	\$ 5,800	\$ 24,244,008	\$ 24,246,612	\$ 3,196
Interfund receivable			-	
Total assets	<u>\$ 5,800</u>	<u>\$ 24,244,008</u>	<u>\$ 24,246,612</u>	<u>\$ 3,196</u>
LIABILITIES:				
Payroll deductions and withholdings	\$ 2,095	\$ 10,824,060	\$ 10,825,078	\$ 1,077
Net payroll		13,419,384	13,419,384	
Interfund payable	<u>3,705</u>	<u>564</u>	<u>2,150</u>	<u>2,119</u>
Total liabilities	<u>\$ 5,800</u>	<u>\$ 24,244,008</u>	<u>\$ 24,246,612</u>	<u>\$ 3,196</u>

Long-Term Debt Schedules

MAPLE SHADE 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					
2012 Refunding Bonds	4/01/2012	\$ 15,455,000	04/01/19	\$ 890,000	3.000%	\$ 12,580,000	\$ -	\$ 895,000	\$ 11,685,000
			04/01/20	985,000	3.000%				
			04/01/21	975,000	3.000%				
			04/01/22	965,000	3.000%				
			04/01/23	955,000	2.750%				
			04/01/24	945,000	3.000%				
			04/01/25	990,000	3.000%				
			04/01/26	1,020,000	3.125%				
			04/01/27	1,010,000	3.250%				
			04/01/28	995,000	3.250%				
			04/01/29	985,000	3.375%				
			04/01/30	970,000	3.500%				
Balance forward						\$ 12,580,000	\$ -	\$ 895,000	\$ 11,685,000

MAPLE SHADE 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 carried forward						\$ 12,580,000	\$ -	\$ 895,000	\$ 11,685,000
2013 Refunding Bonds	12/1/2013	\$ 3,860,000	03/01/19 03/01/20	\$ 635,000 610,000	3.000% 3.000%	1,890,000		645,000	1,245,000
						<u>\$ 14,470,000</u>	<u>\$ -</u>	<u>\$ 1,540,000</u>	<u>\$ 12,930,000</u>

MAPLE SHADE SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Obligations Under Capital Leases
June 30, 2018

Purpose	Interest Rate Payable	Amount of Original Issue	Amount Outstanding 6/30/2017	Issued Current Year	Retired Current Year	Amount Outstanding 6/30/2018
Acquisition of One School Bus	2.30%	\$ 88,985	\$ 36,054	\$ -	\$ 17,823	\$ 18,231
Acquisition of Three School Buses	1.88%	253,297	152,031		49,770	102,261
Phone System	3.25%	121,202		121,202	25,280	95,922
Security Web Filter	2.08%	21,965		21,965	7,780	14,185
Antivirus Software License	3.54%	19,670		19,970	5,256	14,714
			<u>\$ 188,085</u>	<u>\$ 163,137</u>	<u>\$ 105,909</u>	<u>\$ 245,313</u>

**MAPLE SHADE 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
REVENUES:					
Local sources:					
Local tax levy	\$ 1,779,144	\$ -	\$ 1,779,144	\$ 1,779,144	\$ -
Total revenues - local sources	<u>1,779,144</u>		<u>1,779,144</u>	<u>1,779,144</u>	
State sources:					
State aid	213,500		213,500	213,500	
Total revenues - state sources	<u>213,500</u>		<u>213,500</u>	<u>213,500</u>	
Total Revenues	<u>1,992,644</u>		<u>1,992,644</u>	<u>1,992,644</u>	
EXPENDITURES:					
Regular debt service:					
Interest	452,644		452,644	452,644	
Redemption of principal	1,540,000		1,540,000	1,540,000	
Total Expenditures	<u>1,992,644</u>		<u>1,992,644</u>	<u>1,992,644</u>	
Excess (Deficiency) of revenues over (under) expenditures					
Other Financing Sources (Uses):					
Total Other Financing Sources (Uses)					
Net Change in Fund Balance Fund Balances, July 1					
Fund Balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Statistical Section

**Maple Shade 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
Governmental activities:										
Net investment in capital assets	\$ 7,841,059	\$ 8,413,713	\$ 8,713,998	\$ 8,741,419	\$ 9,864,305	\$ 10,707,401	\$ 11,299,664	\$ 11,766,184	\$ 12,524,556	\$ 13,134,252
Restricted for:	-	-	-	-	-	-	-	-	-	-
Special revenue	-	-	-	-	-	-	-	-	-	-
Debt service	(156,464)	(258,448)	13,387	9,180	37,617	58,648	21,031	-	-	-
Other purposes	3,157,807	1,164,679	2,642,360	3,707,393	4,436,237	4,302,666	4,154,525	3,735,127	3,702,989	4,326,792
Unrestricted	(1,365,686)	(1,335,313)	(1,682,281)	(1,208,737)	(1,463,734)	(1,554,892)	(10,893,756)	(11,227,676)	(12,915,759)	(12,366,572)
Total governmental activities net position	\$ 9,476,716	\$ 7,984,631	\$ 9,687,464	\$ 11,249,255	\$ 12,874,425	\$ 13,513,823	\$ 4,581,464	\$ 4,273,635	\$ 3,311,786	\$ 5,094,472
Business-type activities:										
Net investment in capital assets	\$ 151,656	\$ 134,998	\$ 118,668	\$ 102,337	\$ 86,007	\$ 105,681	\$ 91,632	\$ 75,294	\$ 63,151	\$ 92,696
Unrestricted	374,756	440,505	312,711	292,870	381,076	389,221	462,523	508,781	560,387	622,291
Total business-type activities net position	\$ 526,412	\$ 575,503	\$ 431,379	\$ 395,207	\$ 467,083	\$ 494,902	\$ 554,155	\$ 584,075	\$ 623,538	\$ 714,987
District-wide:										
Net investment in capital assets	\$ 7,992,715	\$ 8,548,711	\$ 8,832,666	\$ 8,843,756	\$ 9,950,312	\$ 10,813,082	\$ 11,391,296	\$ 11,841,478	\$ 12,587,707	\$ 13,226,948
Restricted:	-	-	-	-	-	-	-	-	-	-
Special revenue	-	-	-	-	-	-	-	-	-	-
Debt service	(156,464)	(258,448)	13,387	9,180	37,617	58,648	21,031	-	-	-
Other purposes	3,157,807	1,164,679	2,642,360	3,707,393	4,436,237	4,302,666	4,154,525	3,735,127	3,702,989	4,326,792
Unrestricted	(990,930)	(894,808)	(1,369,570)	(915,867)	(1,082,658)	(1,165,671)	(10,431,233)	(10,718,895)	(12,355,372)	(11,744,281)
Total district net position	\$ 10,003,128	\$ 8,560,134	\$ 10,118,843	\$ 11,644,462	\$ 13,341,508	\$ 14,008,725	\$ 5,135,619	\$ 4,857,710	\$ 3,935,324	\$ 5,809,459

Maple Shade 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
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 9,789,776	\$ 9,573,089	\$ 9,303,929	\$ 10,039,639	\$ 9,996,443	\$ 10,675,180	\$ 10,829,275	\$ 11,278,482	\$ 11,083,681	\$ 9,967,993
Special education	3,663,886	4,113,909	4,035,411	4,321,755	4,653,009	4,741,683	5,256,723	5,465,486	5,414,491	5,340,161
Other instruction	781,141	880,585	720,738	688,442	738,959	789,437	783,687	769,053	852,476	967,437
Support Services:										
Tuition	1,426,284	1,343,235	1,109,530	1,210,734	1,036,736	1,108,329	1,086,943	1,144,050	1,312,550	1,698,460
Student & instruction related services	3,462,824	3,940,008	3,568,044	3,553,237	3,563,797	3,602,661	3,814,195	4,043,375	4,036,584	4,435,872
School administrative services	1,163,748	1,211,661	1,180,495	1,233,999	1,357,413	1,287,436	1,400,314	1,436,508	1,440,721	1,512,637
General and business administrative services	1,098,814	1,118,120	1,112,944	1,277,960	1,076,278	1,183,465	1,135,454	1,122,256	1,127,184	1,144,775
Plant operations and maintenance	3,478,281	3,497,489	2,764,603	3,030,699	2,822,027	2,937,535	3,336,258	3,383,024	3,495,626	2,869,972
Pupil transportation	736,817	780,931	1,248,863	938,997	901,541	966,150	967,334	967,450	997,102	1,020,179
Unallocated employee benefits	6,080,259	6,906,069	6,684,782	5,842,792	8,079,780	7,980,343	8,603,957	9,719,254	11,765,114	24,349,378
Special schools	5,477	-	-	-	-	-	-	-	-	-
Charter schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	1,140,382	1,070,066	1,005,371	774,348	623,545	706,397	531,671	498,460	460,596	439,482
Unallocated depreciation and amortization	77,813	63,319	62,276	75,424	49,449	49,037	41,232	48,063	34,744	47,026
Total governmental activities expenses	32,905,502	34,498,481	32,796,986	32,988,026	34,898,977	36,027,653	37,787,043	39,875,461	42,020,869	53,793,372
Business-type activities:										
School Store	\$ 11,041	\$ 12,545	\$ 9,053	\$ 13,332	\$ 8,453	\$ 10,644	\$ 4,008	\$ 5,704	\$ 8,526	\$ 9,943
After School Program	287,060	319,836	356,182	392,754	331,372	339,051	312,177	279,291	281,732	327,761
Food Service	837,135	860,583	873,538	973,565	853,987	1,042,900	1,065,804	1,094,282	1,081,050	1,011,125
Total business-type activities expense	1,135,236	1,192,964	1,238,773	1,379,651	1,193,812	1,392,595	1,381,989	1,379,277	1,371,308	1,348,829
Total district expenses	34,040,738	35,691,445	34,035,759	34,367,677	36,092,789	37,420,248	39,169,032	41,254,738	43,392,177	55,142,201
Program Revenues:										
Governmental activities:										
Operating grants and contributions	3,200,322	3,483,372	3,592,718	2,588,472	4,345,656	4,188,188	4,626,325	5,339,069	5,687,283	18,979,620
Total governmental activities program revenues	3,200,322	3,483,372	3,592,718	2,588,472	4,345,656	4,188,188	4,626,325	5,339,069	5,687,283	18,979,620

(Continued)

Maple Shade 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
Business-type activities:										
Charges for services:										
School Store	\$ 10,744	\$ 13,203	\$ 10,083	\$ 9,957	\$ 9,392	\$ 8,649	\$ 7,898	\$ 6,290	\$ 7,601	\$ 6,623
After School Program	282,242	306,767	286,533	360,547	334,892	383,180	380,676	360,034	347,694	375,339
Food Service	540,320	542,437	519,926	487,063	432,679	448,785	416,702	415,596	403,028	397,695
Operating grants and contributions	309,390	366,721	373,460	482,494	485,287	579,411	631,615	626,720	646,455	656,485
Capital grants and contributions										
Total business type activities program revenues	<u>1,142,696</u>	<u>1,229,128</u>	<u>1,190,002</u>	<u>1,340,061</u>	<u>1,262,250</u>	<u>1,420,025</u>	<u>1,436,891</u>	<u>1,408,640</u>	<u>1,404,778</u>	<u>1,436,142</u>
Total district program revenues	<u>\$ 4,343,018</u>	<u>\$ 4,712,500</u>	<u>\$ 4,782,720</u>	<u>\$ 3,928,533</u>	<u>\$ 5,607,906</u>	<u>\$ 5,608,213</u>	<u>\$ 6,063,216</u>	<u>\$ 6,747,709</u>	<u>\$ 7,092,061</u>	<u>\$ 20,415,762</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (29,705,180)	\$ (31,015,109)	\$ (29,204,268)	\$ (30,399,554)	\$ (30,553,321)	\$ (31,839,465)	\$ (33,160,718)	\$ (34,536,392)	\$ (36,333,586)	\$ (34,813,752)
Business-type activities	7,460	36,164	(48,771)	(39,590)	68,438	27,430	54,902	29,363	33,470	87,313
Total district-wide net expense	<u>\$ (29,697,720)</u>	<u>\$ (30,978,945)</u>	<u>\$ (29,253,039)</u>	<u>\$ (30,439,144)</u>	<u>\$ (30,484,883)</u>	<u>\$ (31,812,035)</u>	<u>\$ (33,105,816)</u>	<u>\$ (34,507,029)</u>	<u>\$ (36,300,116)</u>	<u>\$ (34,726,439)</u>
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 19,015,269	\$ 19,015,269	\$ 20,383,394	\$ 20,821,703	\$ 21,238,137	\$ 21,662,900	\$ 22,457,797	\$ 23,204,506	\$ 24,186,667	\$ 24,798,897
Taxes levied for debt service	2,167,074	2,167,074	2,189,388	2,218,533	2,152,858	1,789,612	1,792,243	1,809,713	1,781,904	1,779,144
Unrestricted grants and contributions	8,469,080	7,938,731	7,781,878	8,505,465	8,643,024	8,714,129	8,889,246	8,772,697	8,989,948	9,685,476
Tuition	128,594	133,383	239,695	263,233	373,229	138,126	166,524	186,118	186,537	126,969
Investment earnings	59,641	41,889	-	-	-	-	-	-	-	-
Miscellaneous income	258,061	226,678	212,746	152,411	198,234	174,096	168,812	255,529	226,681	205,952
Transfers		100,000								
Total governmental activities	<u>30,097,719</u>	<u>29,523,024</u>	<u>30,907,101</u>	<u>31,961,345</u>	<u>32,605,482</u>	<u>32,478,863</u>	<u>33,474,622</u>	<u>34,228,563</u>	<u>35,371,737</u>	<u>36,596,438</u>
Business-type activities:										
Investment earnings	\$ 3,238	\$ 3,612	\$ 2,187							
Miscellaneous income	5,611	9,315	2,460	3,418	3,438	389	4,351	557	5,993	4,136
Transfers			(100,000)							
Contribution of equipment										
Total business-type activities	<u>8,849</u>	<u>12,927</u>	<u>(95,353)</u>	<u>3,418</u>	<u>3,438</u>	<u>389</u>	<u>4,351</u>	<u>557</u>	<u>5,993</u>	<u>4,136</u>
Total district-wide	<u>\$ 30,106,568</u>	<u>\$ 29,535,951</u>	<u>\$ 30,811,748</u>	<u>\$ 31,964,763</u>	<u>\$ 32,608,920</u>	<u>\$ 32,479,252</u>	<u>\$ 33,478,973</u>	<u>\$ 34,229,120</u>	<u>\$ 35,377,730</u>	<u>\$ 36,600,574</u>
Change in Net Position:										
Governmental activities	\$ 392,539	\$ (1,492,085)	\$ 1,702,833	\$ 1,561,791	\$ 2,052,161	\$ 639,398	\$ 313,904	\$ (307,829)	\$ (961,849)	\$ 1,782,686
Business-type activities	16,309	49,091	(144,124)	(36,172)	71,876	27,819	59,253	29,920	39,463	91,449
Total district-wide	<u>\$ 408,848</u>	<u>\$ (1,442,994)</u>	<u>\$ 1,558,709</u>	<u>\$ 1,525,619</u>	<u>\$ 2,124,037</u>	<u>\$ 667,217</u>	<u>\$ 373,157</u>	<u>\$ (277,909)</u>	<u>\$ (922,386)</u>	<u>\$ 1,874,135</u>

Maple Shade 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
General Fund:										
Reserved for:										
Encumbrances	\$ -	\$ 15,032	\$ 232,270	\$ 2,800	\$ 8,992	\$ 5,750	\$ 89,540	\$ -	\$ 32,000	\$ 3,535
Capital reserve	433,723	234,292	684,992	1,080,315	1,246,323	1,133,727	1,052,408	775,004	685,131	980,909
Maintenance reserve	100,000	200,000	450,000	650,000	650,000	618,080	446,524	446,524	439,643	704,643
Legally restricted	1,509,245	706,195	497,615	1,077,483	1,394,307	1,400,000	1,400,000	1,400,000	1,300,000	1,391,490
Excess surplus	1,022,459		777,483	896,795	1,136,615	1,145,109	1,148,892	1,113,599	1,246,215	1,246,215
Unreserved	(95,645)	(37,369)	20,425	12,015	(171,405)	(161,697)	(129,846)	(111,783)	(79,160)	(93,512)
Total general fund	<u>\$ 2,969,782</u>	<u>\$ 1,118,150</u>	<u>\$ 2,662,785</u>	<u>\$ 3,719,408</u>	<u>\$ 4,264,832</u>	<u>\$ 4,140,969</u>	<u>\$ 4,007,518</u>	<u>\$ 3,623,344</u>	<u>\$ 3,623,829</u>	<u>\$ 4,233,280</u>
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ 72,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	19,637	9,160	-	-	-	-	17,161	-	-	-
Debt service fund	160,569	36,167	13,387	9,180	37,617	58,648	21,031	-	-	-
Total all other governmental funds	<u>\$ 252,949</u>	<u>\$ 45,327</u>	<u>\$ 13,387</u>	<u>\$ 9,180</u>	<u>\$ 37,617</u>	<u>\$ 58,648</u>	<u>\$ 38,192</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Maple Shade 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
Revenues										
Tax levy	\$ 21,182,343	\$ 21,182,343	\$ 22,572,782	\$ 23,040,236	\$ 23,390,995	\$ 23,452,512	\$ 24,250,040	\$ 25,014,219	\$ 25,968,571	\$ 26,578,041
Tuition charges	128,594	133,383	239,695	263,233	373,229	138,126	166,524	186,118	186,537	126,969
Transportation charges	77,687	98,336	56,149	29,972	40,249	23,285	58,686	54,549	93,107	86,153
Miscellaneous	245,050	175,266	156,597	122,439	157,985	150,811	110,126	226,721	133,574	119,799
State sources	10,793,248	9,061,352	10,019,406	9,801,689	11,906,440	11,576,667	12,241,030	12,727,659	13,349,650	14,622,728
Federal sources	871,119	2,355,716	1,355,190	1,292,248	1,082,240	1,325,650	1,274,541	1,358,366	1,327,581	1,310,178
Total revenue	33,298,041	33,006,396	34,399,819	34,549,817	36,951,138	36,667,051	38,100,947	39,567,632	41,059,020	42,843,868
Expenditures										
Instruction										
Regular Instruction	8,743,701	8,878,579	8,526,584	9,159,809	9,635,224	9,962,026	10,052,788	10,518,778	10,142,625	10,256,734
Special education instruction	3,663,886	4,113,909	4,035,411	4,321,755	4,653,009	4,741,683	5,256,723	5,465,486	5,414,491	5,340,161
Other instruction	781,141	880,585	720,738	688,442	738,959	789,437	783,687	769,053	852,476	967,437
Support Services:										
Tuition	1,426,284	1,343,235	1,109,530	1,210,734	1,036,736	1,108,329	1,086,943	1,144,050	1,312,550	1,698,460
Student & instruction related services	3,462,824	3,940,008	3,568,044	3,553,237	3,563,797	3,602,661	3,814,195	4,043,375	4,036,584	4,435,872
General and business admin. services	1,001,362	1,020,797	1,017,706	1,181,012	1,076,278	1,287,436	1,038,089	1,026,131	1,031,769	1,050,723
School administrative services	1,163,748	1,211,661	1,180,495	1,233,999	1,258,513	1,085,389	1,400,314	1,436,508	1,440,721	1,512,637
Plant operations and maintenance	2,450,626	2,649,655	2,564,997	2,638,851	2,539,984	2,611,552	2,665,131	2,674,817	2,875,729	2,548,236
Pupil transportation	736,817	780,931	851,083	938,997	901,541	966,150	967,334	967,450	997,102	1,020,179
Other support services	6,080,259	6,906,069	6,684,782	5,842,792	8,079,780	7,980,343	8,566,990	9,450,688	10,304,598	11,220,463
Special Schools	5,477									
Capital outlay	1,477,178	644,737	568,150	176,307	449,577	614,489	652,776	687,890	647,096	354,008
Debt service:										
Principal	1,465,000	1,505,000	1,530,000	1,590,000	1,796,000	1,375,000	1,490,000	1,520,000	1,505,000	1,540,000
Interest and other charges	1,502,319	1,190,484	1,027,384	961,466	647,879	714,501	568,869	539,069	497,794	452,644
Total expenditures	33,960,622	35,065,650	33,384,904	33,497,401	36,377,277	36,838,996	38,343,839	40,243,295	41,058,535	42,397,554
Excess (Deficiency) of revenues over (under) expenditures	(662,581)	(2,059,254)	1,014,915	1,052,416	573,861	(171,945)	(242,892)	(675,663)	485	446,314
Other Financing sources (uses)										
Proceeds from borrowing	-	-	397,780	-	-	4,118,188	-	253,297	-	163,137
Deposit to refunding fund	-	-	-	-	-	(4,049,075)	-	-	-	-
Transfers in	33,724	4,207	109,180	-	-	-	289,241	10,296	-	-
Transfers out	(33,724)	(4,207)	(9,180)	-	-	-	(200,256)	(10,296)	-	-
Total other financing sources (uses)	-	-	497,780	-	-	69,113	88,985	253,297	-	163,137
Net change in fund balances	\$ (662,581)	\$ (2,059,254)	\$ 1,512,695	\$ 1,052,416	\$ 573,861	\$ (102,832)	\$ (153,907)	\$ (422,366)	\$ 485	\$ 609,451
Debt service as a percentage of noncapital expenditures	9.13%	7.83%	7.79%	7.66%	6.80%	5.77%	5.46%	5.21%	4.96%	4.74%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

Exhibit J-5

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Transportation	Prior Year Refunds	Other Refunds	Use of Facilities	Miscellaneous	Total
2009	\$ 59,641	\$ 128,594	\$ 77,687	\$ 57,758	\$ 53,745	\$ 31,135	\$ 4,012	\$ 412,572
2010	41,889	133,383	98,336	35,964	36,917	45,245	6,009	397,743
2011	20,098	239,695	56,149	8,277	65,791	46,270	16,141	452,421
2012	20,680	263,233	29,972	19,386	34,389	45,807	2,177	415,644
2013	12,065	373,229	40,249	33,008	76,491	36,421		571,463
2014	6,344	138,126	23,285	38,651	60,750	45,066		312,222
2015	5,129	166,524	58,686	2,390	49,621	47,199	5,787	335,336
2016	4,975	186,118	54,549	43,341	110,273	34,114	8,277	441,647
2017	4,972	186,537	93,107	43,183	48,967	34,375	2,077	413,218
2018	11,149	126,969	86,153	30,286	21,434	50,215	6,715	332,921
	<u>\$ 186,942</u>	<u>\$ 1,942,408</u>	<u>\$ 618,173</u>	<u>\$ 312,244</u>	<u>\$ 558,378</u>	<u>\$ 415,847</u>	<u>\$ 51,195</u>	<u>\$ 4,085,187</u>

Source: District records

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

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2009	\$ 11,813,100	\$ 957,291,700	\$ -	\$ -	\$ 336,843,500	\$ 23,405,000	\$ 261,895,000	\$1,591,248,300	\$ 2,178,723	\$1,593,427,023	\$ 117,355,400	\$ 1.330	\$ 1,655,760,404
2010	12,158,800	959,357,700	-	-	329,716,900	23,405,000	255,525,000	1,580,163,400	3,781,690	1,583,945,090	117,551,900	1.425	1,693,829,048
2011	12,070,000	959,426,100	-	-	323,266,900	23,405,000	251,425,000	1,569,593,000	2,959,527	1,572,552,527	117,436,400	1.465	1,654,349,835
2012	11,751,500	958,463,650	-	-	318,482,100	19,755,000	243,350,000	1,551,802,250	2,896,756	1,554,699,006	117,423,900	1.505	1,603,729,953
2013	10,623,150	951,085,470	-	-	308,792,100	19,710,000	236,400,000	1,526,610,720	4,158,119	1,530,768,839	118,038,600	1.532	1,484,738,741
2014	R 12,028,300	739,876,800	-	-	279,490,800	18,294,600	242,962,000	1,292,652,500	4,003,900	1,296,656,400	139,116,200	1.870	1,534,967,517
2015	12,450,700	740,620,500	-	-	276,170,400	18,426,200	242,962,000	1,290,629,800	3,744,232	1,294,374,032	139,425,500	1.932	1,431,769,335
2016	13,444,200	743,120,700	-	-	266,723,900	18,426,200	241,063,800	1,282,778,800	3,721,232	1,286,500,032	141,295,600	2.018	1,415,073,933
2017	12,167,550	743,825,230	-	-	264,341,800	18,731,200	237,088,100	1,276,153,880	4,056,754	1,280,210,634	141,546,210	2.076	1,321,955,821
2018	7,454,150	747,848,330	-	-	276,439,095	18,746,200	237,088,100	1,287,575,875	3,887,971	1,291,463,846	142,118,510	2.092	1,415,935,162

Source: Municipal Tax Assessor

Note:

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

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

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

Exhibit J-7

Fiscal Year Ended June 30,	Maple Shade School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Maple Shade	Burlington County	
2009	\$ 1.194	\$ 0.136	\$ 1.330	\$ 0.533	\$ 0.396	\$ 2.259
2010	1.287	0.138	1.425	0.567	0.402	2.394
2011	1.324	0.141	1.465	0.618	0.398	2.481
2012	1.367	0.138	1.505	0.659	0.388	2.552
2013	1.415	0.117	1.532	0.691	0.360	2.583
2014	R 1.732	0.138	1.870	0.840	0.441	3.151
2015	1.792	0.140	1.932	0.861	0.457	3.250
2016	1.879	0.139	2.018	0.861	0.443	3.322
2017	1.937	0.139	2.076	0.881	0.415	3.372
2018	1.958	0.134	2.092	0.881	0.439	3.412

Source: Municipal Tax Collector

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

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

R Revaluation.

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

Exhibit J-8

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Taxpayer	2018		Taxpayer	2009	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Deerfield Association	\$ 88,361,200	6.84%	Deerfield Associates	\$ 105,000,000	6.59%
Maplewood Apartments, LLC	51,900,000	4.02%	Maple Shade Apartments	45,116,500	2.83%
Roberts Mill Apartments	29,141,700	2.26%	Village of Stoney Run	30,000,000	1.88%
Village of Stoney Run, NJ LLC	24,500,000	1.90%	Roberts Mill Apartments	28,000,000	1.76%
Holman Enterprises	19,039,260	1.47%	Holman Enterprises	22,556,100	1.42%
Blue Saber Properties	16,250,000	1.26%	Blue Saber Properties	22,000,000	1.38%
Davis Enterprises	14,944,200	1.16%	Davis Enterprises	21,311,000	1.34%
Pickwick Apartments, LLC	14,830,400	1.15%	Maple Shade Apts. Assoc.	18,000,000	1.13%
AFADJ LLC	9,713,400	0.75%	Pickwick Village, LP	16,000,000	1.00%
Americo Real Estate Co.	9,300,000	0.72%	Public Storage	12,300,000	0.77%
Total	\$ 277,980,160	21.52%		\$ 320,283,600	20.10%

Source: Municipal Tax Assessor

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

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	\$ 21,182,343	\$ 21,182,343	100.00%	-
2010	21,182,343	21,182,343	100.00%	-
2011	22,572,782	22,572,782	100.00%	-
2012	23,040,236	23,040,236	100.00%	-
2013	23,390,995	23,390,995	100.00%	-
2014	23,452,512	23,452,512	100.00%	-
2015	24,250,040	24,250,040	100.00%	-
2016	25,014,219	25,014,219	100.00%	-
2017	25,968,571	25,968,571	100.00%	-
2018	26,578,041	26,578,041	100.00%	-

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

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

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

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^b
	General Obligation Bonds	Unfunded Pension Liability	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2009	\$ 25,693,000	\$ -	\$ 78,089	\$ -	\$ -	\$ 25,771,089	2.82%	1,345
2010	24,188,000	-	61,389	-	-	24,249,389	2.64%	1,265
2011	22,658,000	-	357,188	-	-	23,015,188	2.42%	1,202
2012	22,266,000	-	263,504	-	-	22,529,504	2.32%	1,177
2013	20,470,000	-	166,481	-	-	20,636,481	2.12%	1,083
2014	18,985,000	-	120,923	-	-	19,105,923	1.90%	1,004
2015	17,495,000	-	90,262	-	-	17,585,262	1.68%	928
2016	15,975,000	-	254,249	-	-	16,229,249	1.52%	862
2017	14,470,000	-	188,085	-	-	14,658,085	c	779
2018	12,930,000	-	245,313	-	-	13,175,313	c	c

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

a Based on Per Capita Income for Burlington County.

b Based on School District Population as of July 1

c Not available.

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

Exhibit J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2009	\$ 25,693,000	\$ -	\$ 25,693,000	1.61%	1,341
2010	24,188,000	-	24,188,000	1.53%	1,262
2011	22,658,000	-	22,658,000	1.44%	1,183
2012	22,266,000	-	22,266,000	1.43%	1,163
2013	20,470,000	-	20,470,000	1.34%	1,074
2014	18,985,000	-	18,985,000	1.46%	998
2015	17,495,000	-	17,495,000	1.35%	924
2016	15,975,000	-	15,975,000	1.23%	848
2017	14,470,000	-	14,470,000	1.12%	769
2018	12,930,000	-	12,930,000	1.00%	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 Information not available.

**Maple Shade 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 ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Maple Shade	\$ 24,081,332	100.000%	\$ 24,081,332
Burlington County General Obligation Debt	297,399,780	2.836%	8,434,258
Subtotal, overlapping debt			32,515,590
Maple Shade Township School District Direct Debt			14,470,000
Total direct and overlapping debt			\$ 46,985,590

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 Maple Shade. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

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

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2018

	Equalized valuation basis	
	2015	\$ 1,416,095,896
	2016	1,320,954,382
	2017	1,394,856,137
	[A]	<u>\$ 4,131,906,415</u>
Average equalized valuation of taxable property	[A/3]	\$ 1,377,302,138
Debt limit (4% of average equalized valuation)	[B]	55,092,086 ^a
Net bonded school debt	[C]	<u>12,930,000</u>
Legal debt margin	[B-C]	<u>\$ 42,162,086</u>

Fiscal Year

	<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>
Debt limit	\$ 63,462,435	\$ 66,139,907	\$ 66,843,262	\$ 66,244,202	\$ 63,627,308	\$ 61,930,399	\$ 54,419,365	\$ 58,296,103	\$ 55,507,094	\$ 55,092,086
Total net debt applicable to limit	<u>25,693,000</u>	<u>24,188,000</u>	<u>22,658,000</u>	<u>22,266,000</u>	<u>20,470,000</u>	<u>18,985,000</u>	<u>17,495,000</u>	<u>15,975,000</u>	<u>14,470,000</u>	<u>12,930,000</u>
Legal debt margin	<u>\$ 37,769,435</u>	<u>\$ 41,951,907</u>	<u>\$ 44,185,262</u>	<u>\$ 43,978,202</u>	<u>\$ 43,157,308</u>	<u>\$ 42,945,399</u>	<u>\$ 36,924,365</u>	<u>\$ 42,321,103</u>	<u>\$ 41,037,094</u>	<u>\$ 42,162,086</u>
Total net debt applicable to the limit as a percentage of debt limit	40.49%	36.57%	33.90%	33.61%	32.17%	30.66%	32.15%	27.40%	26.07%	23.47%

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

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

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

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2009	19,165	\$ 913,193,085	\$ 47,649	8.3%
2010	19,165	919,632,525	47,985	8.8%
2011	19,149	951,647,853	49,697	8.6%
2012	19,148	971,550,372	50,739	8.9%
2013	19,057	974,498,752	51,136	7.4%
2014	19,030	1,005,602,290	52,843	6.6%
2015	18,944	1,048,569,344	55,351	5.1%
2016	18,836	1,070,110,832	56,812	4.4%
2017	18,821	e	e	4.2%
2018	e	e	e	e

Source:

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

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

Exhibit J-16

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction										
Regular	114	175	117	126	123	129	131	128	130	135
Special education	40	39	74	83	83	107	108	97	100	113
Other special education	7									
Vocational										
Other instruction	1		7	4	4	4	4	4	4	4
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	71	37	29	31	31	37	38	39	39	40
School administrative services	12	9	14	17	17	18	18	16	16	19
General and business administrative services	12	3	2	6	6	6	6	6	10	12
Plant operations and maintenance	30	45	34	35	35	37	37	37	39	39
Pupil transportation	25	25	13	14	14	20	21	17	19	19
Business and other support services	16	5	5	5	5	-	-			
Special Schools	15					11	12	9	9	11
Food Service	5					16	20	14	19	19
Total	<u>348</u>	<u>338</u>	<u>295</u>	<u>321</u>	<u>318</u>	<u>385</u>	<u>395</u>	<u>367</u>	<u>385</u>	<u>411</u>

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Source: District Personnel Records

Maple Shade School District
 Operating Statistics,
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Junior/Senior High School				
2009	2,017	\$ 29,516,125	\$ 14,634	-4.28%	162	1:10.8	1:13.4	2,008.0	1,894.3	-0.88%	94.34%
2010	2,070	31,725,429	15,326	4.73%	214	1:13.9	1:14.4	2,076.0	1,962.0	3.39%	94.51%
2011	2,134	30,259,370	14,180	-7.47%	198	1:12.8	1:12.7	2,132.6	2,024.9	2.73%	94.95%
2012	2,143	30,769,628	14,358	1.25%	213	1:12.8	1:13.5	2,154.5	2,088.6	1.03%	96.94%
2013	2,112	33,483,821	15,854	10.42%	210	1:12.8	1:13.5	2,084.5	1,978.0	-3.25%	94.89%
2014	2,169	34,135,006	15,738	0.73%	240	1:12.8	1:13.5	2,181.3	2,077.9	4.64%	95.26%
2015	2,230	35,632,194	15,979	1.50%	243	1:12.8	1:13.5	2,232.5	2,120.8	7.44%	95.00%
2016	2,179	37,496,336	17,208	7.69%	229	1:12.8	1:13.5	2,184.7	2,063.6	-2.14%	94.46%
2017	2,156	38,408,645	17,815	0.60%	234	1:12.8	1:13.5	2,162.7	2,050.1	-6.54%	94.79%
2018	2,156	40,050,902	18,576	4.27%	252	1:12.8	1:13.5	2,173.3	2,046.5	0.49%	94.16%

Sources: District records

Note: Enrollment based on annual October district count.

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

Maple Shade School District
 School Building Information
 Last Ten Fiscal Years

Exhibit J-18

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
District Building										
Elementary										
Howard R. Yocum School (1959)										
Square Feet	70,811	70,811	70,811	70,811	70,811	70,811	70,811	70,811	70,811	70,811
Capacity (students)	464	464	464	464	464	464	464	464	464	464
Enrollment	519	542	566	571	564	604	625	569	547	553
Maude M. Wilkins Elementary (1926)										
Square Feet	65,029	65,029	65,029	65,029	65,029	65,029	65,029	65,029	65,029	65,029
Capacity (students)	576	576	576	576	576	576	576	576	576	576
Enrollment	314	337	348	355	354	411	403	416	428	857
Ralph J. Steinhauer School (1953)										
Square Feet	71,711	71,711	71,711	71,711	71,711	71,711	71,711	71,711	71,711	71,711
Capacity (students)	547	547	547	547	547	547	547	547	547	547
Enrollment	288	304	317	312	299	303	322	342	330	345
Maple Shade High School (1972)										
Square Feet	168,516	168,516	168,516	168,516	168,516	168,516	168,516	168,516	168,516	168,516
Capacity (students)	1,590	1,590	1,590	1,590	1,590	1,590	1,590	1,590	1,590	1,590
Enrollment	887	893	901	916	868	863	880	857	857	857

Number of Schools at June 30, 2018
 Elementary = 3
 Middle School = 0
 High School = 1

Source: District Facilities Office

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

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

Exhibit J-19

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
* School Facilities											
Maple Shade School District											
High School	\$ 271,869	\$ 192,054	\$ 296,414	\$ 374,142	\$ 332,952	\$ 369,908	\$ 378,847	\$ 400,556	\$ 475,634	\$ 348,729	\$ 3,441,105
Steinhauer School	115,726	140,093	114,372	144,363	128,483	142,744	146,193	154,555	183,524	134,558	1,404,611
Maude M. Wilkins School	104,924	135,974	124,558	157,221	139,907	155,436	159,192	168,321	199,870	146,543	1,491,946
Howard R. Yokum School	114,332	145,818	126,147	159,226	141,685	157,412	161,215	170,466	202,417	148,410	1,527,128
Total School Facilities	<u>\$ 606,851</u>	<u>\$ 613,939</u>	<u>\$ 661,491</u>	<u>\$ 834,952</u>	<u>\$ 743,027</u>	<u>\$ 825,500</u>	<u>\$ 845,447</u>	<u>\$ 893,898</u>	<u>\$ 1,061,445</u>	<u>\$ 778,240</u>	<u>\$ 7,864,790</u>

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

Source: District records

**Maple Shade School District
Insurance Schedule
June 30, 2018**

Exhibit J-20

	<u>Coverage</u>
Commercial Package Policy (1)	
Property	\$ 78,844,720
Liability General and Auto	5,000,000
Aggregate Excess Liability	10,000,000
Crime Coverage - Employee Dishonesty	500,000
Umbrella	1,000,000
Pollution Liability	1,000,000
School Board Legal Liability (1)	5,000,000
Workers Compensation (1)	Statutory
Student Athletic Accident Policy (2)	1,000,000
Surety Bonds	
Treasurer (3)	275,000
Board Secretary (4)	110,000

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

Source: District records

Single Audit Section

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

Report on Compliance for Each Major Federal and State Program

I have audited Maple Shade School District's (School District), in the County of Burlington, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 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 Maple Shade School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

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

INVERSO & STEWART, LLC
Certified Public Accountants



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

Marlton, New Jersey
January 31, 2019

MAPLE SHADE 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 (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	June 30, 2018		
						Accounts Receivable	Unearned Revenue	Due to Grantor at						Accounts Receivable	Unearned Revenue	Due to Grantor at
U.S. Department of Education																
General Fund:																
Medical Assistance Program (SEMI)	93.778	1805NJ5MAP	N/A	\$ 75,528	7/1/17 - 6/30/18	\$ -	\$ -	\$ -	\$ -	\$ 75,528	\$ (75,528)	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Fund						-	-	-	-	75,528	(75,528)	-	-	-	-	-
Special Revenue Fund:																
Every Student Succeeds Act (ESSA)																
Title I	84.010A	S010A170030	ESSA-3010-18	541,262	7/1/17 - 6/30/18					321,318	(523,326)			(202,008)		
Title II - Part A	84.367A	S367A170029	ESSA-3010-18	58,868	7/1/17 - 6/30/18					45,595	(55,029)			(9,434)		
Title III	84.365A	S365A170030	ESSA-3010-18	17,970	7/1/17 - 6/30/18					10,835	(17,970)			(7,135)		
Title III - Immigrant	84.365A	S365A170030	ESSA-3010-18	3,695	7/1/17 - 6/30/18					3,560	(3,695)			(135)		
Title IV - CY	84.424A	S424A170031	ESSA-3010-18	10,000	7/1/17 - 6/30/18					8,843	(9,752)			(909)		
No Child Left Behind (N.C.L.B.)																
Title I	84.010A	S010A160030	NCLB-3010-17	545,935	7/1/16 - 6/30/17	(258,661)				258,661				-		
Title II - Part A	84.367A	S367A160029	NCLB-3010-17	39,490	7/1/16 - 6/30/17	(20,067)				20,067				-		
Title III	84.365A	S365A160030	NCLB-3010-17	15,708	7/1/16 - 6/30/17	(7,565)				7,565				-		
Title III - Immigrant	84.365A	S365A160030	NCLB-3010-17	6,522	7/1/16 - 6/30/17	(1,143)				1,143				-		
Individuals With Disabilities Act (I.D.E.A.)																
Part B - Basic - Current Year	84.027	H027A170100	IDEA-3010-18	614,455	7/1/17 - 6/30/18					466,965	(593,558)			(126,593)		
Part B - Basic - Prior Year	84.027	H027A160100	IDEA-3010-17	613,626	7/1/16 - 6/30/17	(245,604)				245,604				-		
Part B - Preschool - Current Year	84.173	H173A170114	IDEA-3010-18	17,820	7/1/17 - 6/30/18					17,565	(17,820)			(255)		
Part B - Preschool - Current Year	84.173	H173A160114	IDEA-3010-17	17,932	7/1/16 - 6/30/17					375		(375)		-		
Temporary Emergency Impact Aid	84.938C	S938C18005	N/A	13,500	7/1/17 - 6/30/18						(13,500)			(13,500)		
Total Special Revenue Fund						(533,040)	-	-	-	1,408,096	(1,234,650)	(375)	-	(359,969)	-	-
U.S. Department of Agriculture																
Enterprise Fund:																
Food Distribution Program	10.565	181NJ304N1089	N/A	86,856	7/1/17 - 6/30/18					86,856	(86,856)			-		
National School Lunch Program	10.555	181NJ304N1089	N/A	420,863	7/1/17 - 6/30/18					393,536	(420,863)			(27,327)		
National School Lunch Program	10.555	171NJ304N1089	N/A	411,428	7/1/16 - 6/30/17	(17,087)				17,087				-		
National School Breakfast Program	10.553	181NJ304N1089	N/A	138,802	7/1/17 - 6/30/18					127,963	(138,802)			(10,839)		
National School Breakfast Program	10.553	171NJ304N1089	N/A	142,216	7/1/16 - 6/30/17	(8,732)				8,732				-		
Total Enterprise Fund						(25,819)	-	-	-	634,174	(646,521)	-	-	(38,166)	-	-
Total Federal Awards						\$ (558,859)	\$ -	\$ -	\$ -	\$ 2,117,798	\$ (1,956,699)	\$ (375)	\$ -	\$ (398,135)	\$ -	\$ -

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

MAPLE SHADE SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 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 Years' Balances	Canceled	June 30, 2018		
				Accounts Receivable	Unearned Revenue	Due to Grantor at					Accounts Receivable	Unearned Revenue	Due to Grantor at
State Department of Education													
General Fund:													
Equalization Aid	18-495-034-5120-078	\$ 7,665,842	7/1/17 - 6/30/18	\$ -	\$ -	\$ -	\$ 6,984,646	\$ (7,665,842)	\$ -	\$ -	\$ (681,196)	\$ -	\$ -
Equalization Aid	17-495-034-5120-078	7,123,933	7/1/16 - 6/30/17	(642,546)			642,546						
Special Education Categorical Aid	18-495-034-5120-089	1,222,775	7/1/17 - 6/30/18				1,114,118	(1,222,775)			(108,657)		
Special Education Categorical Aid	17-495-034-5120-089	1,222,775	7/1/16 - 6/30/17	(110,289)			110,289						
Extraordinary Aid	18-495-034-5120-044	214,845	7/1/17 - 6/30/18					(214,845)			(214,845)		
Extraordinary Aid	17-495-034-5120-044	205,150	7/1/16 - 6/30/17	(205,150)			205,150						
Homeless Tuition	18-495-034-5120-005	9,208	7/1/17 - 6/30/18					(9,208)			(9,208)		
Transportation Aid	18-495-034-5120-014	85,205	7/1/17 - 6/30/18				77,633	(85,205)			(7,572)		
Transportation Aid	17-495-034-5120-014	85,205	7/1/16 - 6/30/17	(7,685)			7,685						
Security Aid	18-495-034-5120-084	124,422	7/1/17 - 6/30/18				113,366	(124,422)			(11,056)		
Security Aid	17-495-034-5120-084	124,422	7/1/16 - 6/30/17	(11,222)			11,222						
Under Adequacy Aid	18-495-034-5120-096	27,454	7/1/17 - 6/30/18				25,014	(27,454)			(2,440)		
Under Adequacy Aid	17-495-034-5120-096	27,454	7/1/16 - 6/30/17	(2,476)			2,476						
PARCC Readiness Aid	18-495-034-5120-098	22,080	7/1/17 - 6/30/18				20,118	(22,080)			(1,962)		
PARCC Readiness Aid	17-495-034-5120-098	22,080	7/1/16 - 6/30/17	(1,992)			1,992						
Per Pupil Growth Aid	18-495-034-5120-097	22,080	7/1/17 - 6/30/18				20,118	(22,080)			(1,962)		
Per Pupil Growth Aid	17-495-034-5120-097	22,080	7/1/16 - 6/30/17	(1,992)			1,992						
Professional Learning Community Aid	18-495-034-5120-101	22,330	7/1/17 - 6/30/18				20,346	(22,330)			(1,984)		
Professional Learning Community Aid	17-495-034-5120-101	22,330	7/1/16 - 6/30/17	(2,014)			2,014						
Reimbursement of Nonpublic Transportation	18-495-034-5120-014	16,820	7/1/17 - 6/30/18					(16,820)			(16,820)		
Reimbursement of Nonpublic Transportation	17-495-034-5120-014	12,354	7/1/16 - 6/30/17	(12,354)			12,354						
On Behalf TPAF - Pension Contribution	18-495-034-5094-002	2,267,349	7/1/17 - 6/30/18				2,267,349	(2,267,349)					
On Behalf TPAF Post Retirement Medical	18-495-034-5094-001	1,464,432	7/1/17 - 6/30/18				1,464,432	(1,464,432)					
On Behalf TPAF Long Term Disability Insurance	18-495-034-5094-004	3,964	7/1/17 - 6/30/18				3,964	(3,964)					
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	1,168,600	7/1/17 - 6/30/18				1,117,025	(1,168,600)			(51,575)		
Reimbursed TPAF Social Security Contributions	17-495-034-5094-003	1,119,409	7/1/16 - 6/30/17	(56,822)			56,822						
Total General Fund				(1,054,542)			14,282,671	(14,337,406)	--	--	(1,109,277)	--	--
Special Revenue Fund													
N.J. Nonpublic Aid:													
Textbook Aid	18-100-034-5120-064	11,339	7/1/17 - 6/30/18				11,339	(11,339)					
Textbook Aid	17-100-034-5120-064	11,125	7/1/16 - 6/30/17			8,785			8,785				
Nursing Aid	18-100-034-5120-070	20,273	7/1/17 - 6/30/18				20,273	(20,273)					
Technology	18-100-034-5120-373	7,659	7/1/17 - 6/30/18				7,659	(7,659)					
Security	18-100-034-5120-509	15,675	7/1/17 - 6/30/18				15,675	(12,901)					2,774
Auxiliary Services:													
Compensatory Education	18-100-034-5120-067	42,166	7/1/17 - 6/30/18				42,166	(41,987)					179
Compensatory Education	17-100-034-5120-067	45,686	7/1/16 - 6/30/17			9,048			9,048				
E.S.L.	18-100-034-5120-067	903	7/1/17 - 6/30/18				903						903
E.S.L.	17-100-034-5120-067	1,827	7/1/16 - 6/30/17			1,827			1,827				
Handicapped Services:													
Examination & Classification	18-100-034-5120-066	9,649	7/1/17 - 6/30/18				9,649	(8,919)					730
Examination & Classification	17-100-034-5120-066	11,892	7/1/16 - 6/30/17			723			723				
Corrective Speech	18-100-034-5120-066	22,320	7/1/17 - 6/30/18				22,320	(5,357)					16,963
Corrective Speech	17-100-034-5120-066	21,558	7/1/16 - 6/30/17			9,896			9,896				
Supplemental Instruction	18-100-034-5120-066	9,516	7/1/17 - 6/30/18				9,516						9,516
Supplemental Instruction	17-100-034-5120-066	9,416	7/1/16 - 6/30/17			4,864			4,864				
Total Special Revenue Fund						35,143	139,500	(108,435)	35,143				31,065

(Continued)

MAPLE SHADE 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 Years' Balances	Canceled	June 30, 2018		
				Accounts Receivable	Unearned Revenue	Due to Grantor at					Accounts Receivable	Unearned Revenue	Due to Grantor at
Debt Service Fund													
Debt Service Aid Type II	18-495-034-5120-017	213,500	7/1/17 - 6/30/18	\$ -	\$ -	\$ -	\$ 213,500	\$ (213,500)	\$ -	\$ -	\$ -	\$ -	\$ -
State Department of Agriculture													
Enterprise Fund:													
State School Lunch Program	18-100-010-3350-023	9,964	9/1/17- 6/30/18				9,312	(9,964)			(652)		
State School Lunch Program	17-100-010-3350-023	9,534	9/1/16- 6/30/17	(392)			392						
Total Enterprise Fund				(392)			9,704	(9,964)			(652)		
Total State Financial Assistance				<u>\$ (1,054,934)</u>	<u>\$ -</u>	<u>\$ 35,143</u>	<u>\$ 14,645,375</u>	<u>\$ (14,669,305)</u>	<u>\$ 35,143</u>	<u>\$ -</u>	<u>\$ (1,109,929)</u>	<u>\$ -</u>	<u>\$ 31,065</u>
Less: State Financial Expenditures Not Subject to Major Program Determination													
On-Behalf TPAF Contribution - Pension (Non-Budgeted)								(2,267,349)					
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)								(1,464,432)					
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)								(3,964)					
Total State Financial Expenditures Subject to Major Program Determination								<u>\$ (10,933,560)</u>					

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

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

1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Maple Shade School District ("School District"). The School District is defined in Note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$36,613) in the general fund and \$-0- in the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

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

Fund	Federal	State	Total
General	\$ 75,528	\$ 14,300,793	\$ 14,376,321
Special Revenue	1,234,650	108,435	1,343,085
Debt Service		213,500	213,500
Food Service	646,521	9,964	656,485
	\$ 1,956,699	\$ 14,632,692	\$ 16,589,391

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. REIMBURSED AND ON-BEHLF PAYMENTS

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

**MAPLE SHADE 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>84.027</u>	<u>HO27A170100</u>	<u>I.D.E.A. Part B: Basic</u>
<u>84.173</u>	<u>H173A170114</u>	<u>I.D.E.A. Preschool</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>

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

Auditee qualified as low-risk auditee? X yes no

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

State Awards Section

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

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

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

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

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

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>18-495-034-5120-078</u>	State Aid Public Cluster: <u>Equalization Aid</u>
<u>18-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>18-495-034-5120-084</u>	<u>Security Aid</u>
<u>18-495-034-5120-096</u>	<u>Under Adequacy Aid</u>
<u>18-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>18-495-034-5120-098</u>	<u>PARCC Readiness</u>
<u>18-495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>18-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>18-100-010-3350-023</u>	<u>State School Lunch Program</u>

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 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 and/or questioned costs identified.

**MAPLE SHADE 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.

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

Finding #2017-001

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

Current Status

The finding has been corrected.

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.