

**CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
ORANGE, NEW JERSEY
(COUNTY OF ESSEX)**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2018**

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INTRODUCTORY SECTION



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Ronald Lee
Interim Superintendent of Schools

February 25, 2019

The Honorable President and Members
Board of Education and Citizens of the
City of Orange Township Public Schools
County of Essex, New Jersey

Dear Board Members and Citizens:

INTRODUCTION

The Comprehensive Annual Financial Report of the City of Orange Township Public Schools (the "District") for the fiscal year ended June 30, 2018 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the 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 fairly present the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2018 and the respective changes in financial position and cash flows, where applicable for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

State statutes require an annual audit by independent certified public accountants or registered accountants. Samuel Klein and Company, a firm of licensed certified public accountants, has performed an audit of our financial statements and issued an unmodified ("clean") opinion on the District's financial statements for the year ended June 30, 2018. The report of the independent auditors is located at the front of the financial section of this report. The independent audit of the District's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only the fair presentation of the financial statements, but also on the internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued Single Audit Report. The District also receives a report regarding compliance with state programs as required by the State of New Jersey OMB Circular 15-08.

Management's discussion and analysis (MD&A) immediately follows the report of independent auditors and provides a narrative introduction, overview, and analysis of the basic financial statements.

The MD&A complement this letter of transmittal and should be read in conjunction with it. 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, a list of consultants, accountants and advisors, and a list of principal officials.

The financial section includes the basic financial statements, required supplementary information and other supplementary information, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey State OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid (NJOMB 15-08)." The single audit section of this report include the auditors' report on internal control over financial reporting and compliance and other matters based on audit of financial statements performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, the auditors' report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with Title 2 U.S. Code of Federal Regulations Par 200, Uniform Administrative Requirements, Cost Principles, and Award Requirements for Federal Awards (Uniform Guidance) and New Jersey State OMB Circular 15-08, schedules of expenditures of federal awards and state financial assistance and related notes thereto, and schedules of findings and questioned costs and summary schedule of prior audit findings.

1. REPORTING ENTITY AND ITS SERVICES

The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds of the District are included in this report. The City of Orange Township, Board of Education and all its schools constitute the District's reporting entity and does not have any component units and is not considered a component unit of any other governmental unit.

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through 12 (Pre-K-12). These include regular developmental and alternative programs, as well as special education for handicapped youngsters. The District completed the 2017-2018 fiscal year with a resident enrollment of approximately 5,129 and an average daily enrollment of 5,108 students, which is 120 students more than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last five (5) years and the projection for two subsequent years.

Charter School enrolment continues to increase, and the pass-through dollar amount pursuant to NJ Department of Education for 2017-18 School year is \$ 3,290,512. It is projected that the pass-through dollar amount will continue to increase.

Average Daily Enrollment

Fiscal Year	Average Daily Enrollment	Percent Change Increase (Decrease)
*2019-20	5,314	2.00%
*2018-19	5,210	2.00%
2017-18	5,108	(1.10%)
2016-17	5,166	2.40%
2015-16	5,046	(2.09%)
2014-15	5,154	4.71%
2012-14	4,922	1.65%

*-Projected

2. ECONOMIC CONDITION AND OUTLOOK

The City of Orange Township is in the center of New Jersey's industrial corridor, *which* extends from New York City to Philadelphia, and has experienced some of the same developments, which has affected large parts of northeastern and central New Jersey in terms of industrial relocation. Both manufacturing and non-manufacturing firms have tended, in recent years, to move from the cities large industrial parks located near the interstate highways.

The City of Orange Township area has continuously experienced a period of development and expansion. The increasing number of businesses opening and or relocating to the area has resulted in an increase in the employment level leading to an increased tax base, both residential and industrial. This expansion is expected to continue which suggests that the City of Orange Township area will continue to prosper. As a result of the ongoing redevelopments, the school district enrollment has surged this past few years with the influx of new residents into Orange Township. The residential developments include but not limited to: -

North Parrow Street Project: - redevelop North Parrow Street, 20 – 30 town homes.

Oakwood Avenue Redevelopment Project: - in an effort to rehabilitate the community surrounding the Dr. Walter G. Alexander Village, Orange Housing Authority acquired several properties on Oakwood Avenue which were vacant and dilapidated due to a fire that took place in 2011. The project is completed, and there is a total of 28 homes available.

Dr. Walter G. Alexander Village Phase I and Phase II: - The Orange Housing Authority in conjunction with the Orange Housing Development Corporation seek to redevelop the Walter G. Alexander public housing complex by providing safe and affordable homes for seniors and neighborhood families, while attracting new mixed income renters

Dr. Walter G. Alexander Village Phase III: - Wilson Place and Parrow Street are the locations where WGA Village Phase III developments will be built. When completed there will be a total of 42 tax credit units available.

The Dr. Walter G. Alexander Village was originally a public housing complex built in 1952. This site is 3.8-acres, bounded by Central Place, Parrow Street, Wilson Place and Oakwood Avenue. The site now consists of 48 affordable housing units for seniors and 66 affordable housing family developments.

South Essex Avenue Urban Renewal Project: - This project will include 64 market moderate-income residential units, eight unrestricted and over 10,000 square feet of retail space.

The City of Orange Township Public Schools operated ten schools during the 2017-18 School year, one high school, one middle school, seven elementary schools and one early childhood school. Except for three elementary schools rehabilitated between 2004 and 2009, most of the school buildings are over 50 years old. All the school buildings have been well maintained and appear to be in good conditions.

The New Jersey Department of Education (NJDOE) in collaboration with the New Jersey Schools Development Authority (NJSDA) have approved and commenced the renovation and addition project to the Cleveland Elementary and Orange High Schools. Both renovation and addition projects will include classrooms, multipurpose rooms, science and robotics labs, auxiliary gyms and expansion of the existing cafeteria.

3. Major Instructional Initiatives (2017-2018)

The District continued to analyze student data to develop SMART goals that are specific, measurable, achievable, relevant, and timely. Utilizing the findings of the school and district data teams, the following four goals were established:

- During the 2017-2018 school year, English Language Arts teachers increased the implementation of best practices in the New Jersey Student Learning Standards (NJSLS) through Read 180, System 44, iRead, Reading Plus, leveled and anchor texts, Experiential Literature, Parent Literacy nights and a Literacy Block Party, and increased students achievement by at least 10%, as measured by student schedules, lesson designs/plans, walk-throughs, instructional rounds, targeted professional development, and analysis of formative and summative assessments.
- During the 2017-2018 school year, mathematics teachers incorporated the mathematical practices as outlined in the New Jersey Student Learning Standards (NJSLS), implemented the *Go Math (in 30 self-contained classrooms)*, Eureka Math (*in 6 of the 7 K – 7 schools*), Illustrative Mathematics (*in 6 of the 7 K – 7 schools*), *Math in Focus*, secondary mathematics programs (e.g. Agile Mind), iReady, NWEA, and Family Math nights and increased students achievement by 10%, as measured by lesson designs, walk-throughs, targeted professional development and analysis of summative and formative assessments.
- During the 2017-2018 school year, English Language Learners (ELL), Special Education (SE), and GE (General Education) teachers increased differentiation of materials and instruction based on district unit and benchmark assessments and state assessments, increased implementation of Sheltered English, Read 180, and System 44, iRead, Readorium, Dreambox, Rosetta Stone, implemented Parents Night, and continued implementation of an ELL program with highly qualified GE teachers and ESL support.
- During the 2017-2018 school year, 100% of teachers and administrators set goals for themselves and increased their delivery of instruction and practice through professional development on the TeachNJ and AchieveNJ mandates, measured by professional development in Danielson's Evaluation Model, Marshall Evaluation Model, and Westwood Evaluation Models through Oasys/Frontline.

The following scientifically research-based strategies were implemented to strengthen instruction in core academic subjects to help achieve our SMART goals:

ENGLISH LANGUAGE ARTS

- We expanded the implementation of Read 180, System 44, iRead, and Reading Plus, as well as provided professional development to teachers for implementation fidelity.
- We increased the materials for grades 3-5 (*Experiential Literature*) and grades 9-12 (*Pathways to Careers*), with increased alignment to the New Jersey Student Learning Standards. Stipends for curriculum and assessment revisions budget was increased. Professional development and coaching were provided to support the implementation.
- We continued the implementation of Balanced Literacy (K-2) and implemented *Experiential Literature* (grades 6-8).
- Professional development was rendered in assisting teachers. Research and pilot programs that were closely aligned to the NJSLS.

ENGLISH LANGUAGE ARTS – Cont'd

- Sheltered English: District data analysis shows that ELL students who were instructed using Sheltered English strategies outperformed their ELL peers. This was true for the former ELL students in transition. Therefore, the strategies were expanded to all classes with current and former LEP students. Professional development was provided to GE and ESL teachers.
- We continued to implement electives for grades 10-12, including Young Adult Literature, Journalism, and Literature and Film. Materials were purchased to support these courses.
- We continued purchasing leveled reading books and anchor texts for grades K-12.
- We Purchased technology devices to ensure practice for PARCC and PARCC assessments, as well as blended learning initiatives.
- We Purchased supplies for the Literacy Block Party and competitions.
- We Provided funds for out-of-state conferences.
- We Provided extended day and extended year experiences for remediation and enrichment, including competitions.
- We implemented, in conjunction with the City of Orange Township, a Page Turners initiative to increase independent reading for adults and students. The goal, which was reached, was 2,000,000 pages.
- Purchased Clever to create a single sign-on for students utilizing online programs for blended/personalized learning.

MATHEMATICS

- We continued the implementation of *Math in Focus*, *Illustrative Mathematics*, and *Eureka Mathematics*, and *Go Math*. Materials and professional development were purchased.
- We continued tiered math classes in grades 7-11 to address the needs of all students. Continued the implementation of *Agile Mind Intensive* for Algebra I and II Tier III classes; and *Agile Mind* in Tier I – II classes in Geometry and Algebra II, based on the success of the implementation. *Agile Minds* addresses all strands, using an inquiry-based approach. Additionally, the online portion provides differentiated lessons based on pretests. Teachers received intensive professional development.
- iReady (k- 8) and Aleks (9-12) were implemented as blended/ personalized learning, based on benchmark assessments and NJASK scores. Professional development and job-embedded coaching was provided for teachers utilizing the program.
- We extended the purchase of Go-math for all Self-contained PARCC and Dynamic Learning Map (DLM).
- The focus of professional development was the content knowledge.
- Blended learning models was piloted in targeted classes and grades, including online programs. Professional development and supplemental materials to support blended learning was purchased.

MATHEMATICS – Cont'd

We purchased technology devices to ensure practice for PARCC and PARCC assessments.

- We Purchased online platform (Edulastic) and North West Evaluation Association (NWEA) for diagnostic and proficiency assessments.
- We Purchased supplies for Family Math Nights and competitions.
- We Provided extended day and extended year experiences for remediation and enrichment.
- We Provided funding for out-of-state conferences.

SOCIAL STUDIES

- Based on student assessment analysis, we provided professional development for the Document Based Questions (DBQ) Project and the 5 C's.
- We continued to implement all social studies series and provide professional development for teachers.
- We began the implementation of Sociology and AP World History. We Provided materials and professional development.
- We Purchased technology devices to ensure practice for PARCC and PARCC assessments.
- We Provided extended day and extended experiences for remediation and enrichment.
- We Provided financing for competitions, field trips, and conferences.

SCIENCE

- We continued work on the Hydroponics Green House and the Green House at Forest Street School.
- We continued implementing Readorium for science related informational text.
- We Implemented the Next Generation Science Standards (NGSS) in science curriculum guides and assessments, including professional development and curriculum alignment.
- We Purchased consumable replacements for classrooms.
- We continued the implementation of Discovery Education Online Science Program aligned to the NGSS.
- We expanded the implementation of STC science kits for additional lab activities.
- We continued the implementation of Robotics and plan increased STEM/PLTW/CS programs at the elementary and secondary levels, purchased lab aides to support instruction.
- New technology devices were purchased to ensure practice for PARCC and PARCC assessments.
- Expanded the engineering offerings at the high school and elementary levels.
- Provided extended day and extended experiences for remediation and enrichment.
- Provided funding for Science Fairs and STEM nights.

STEM

- We expanded the STEM Innovation Academy of the Oranges programming for grades 9 & 10.
- We completed the 2nd phase of renovations of the STEM building, including furniture, Smart Boards, lab equipment, and materials.
- We also provided professional development for PTLW, Gifted and Talented Education, Project-Based Learning, and best practices in engineering.
- We expanded STEM Academy Partnerships (e.g. TEALS, PICOTECH, etc.)
- We introduced the Scholars MS and Scholars HS programs

21st CENTURY SKILLS:

- We implemented the revision of curriculum guides.
- We continued the implementation of Career Ready Practices, NJSLS, and CCSS for Science and Technical subjects.
- Students were provided with opportunities to belong to service learning organizations (HOSA).

VISUAL AND PERFORMING ARTS

- We provided extended day and year experiences for enrichment.
- We provided professional development in differentiated instruction by subject area.
- Funding was provided for uniforms, instruments, costumes, set designs, props, bussing, and materials.

HEALTH AND PHYSICAL EDUCATION

- We continued the implementation of Model Curriculum and Best Practices
- We provided supplemental health and PE materials to address NJSLS and Social Emotional Learning

WORLD LANGUAGES

- We continued the implementation of learning stations for K-2
- We continued the implementation of the STAMP test for second language speakers
- We continued the implementation of AP Spanish and AP French

TECHNOLOGY

- We continued Blended learning and increased number of devices, moving towards 1-to-1 for students
- Project-based learning opportunities was increased, with video software and Adobe Creative
- Software and Online Program utilization: Read 180, System 44, Math 180, Agile Minds, Cognitive Tutor, Educere, Edulastic, learning.com, Snap and Read assistive technology, iRead, Readorium, Spelling Vocabulary City, receive professional development in PARCC, parenting skills, content for each grade level, and program expectations.

ASSESSMENTS/TESTING

The following assessments and testing platforms were utilized:

- Edulastic – Platform for creating online assessments.
- NWEA
- iReady – Online assessment
- Stamp Assessment: Foreign language proficiency assessment for second language learners to exempt them from world language requirements.
- PSAT: All 9th and 10th grade students take the PSAT. It is an allowable alternative to demonstrate proficiency as a graduation requirement. Additionally, it is utilized to determine students' academic strengths, weaknesses, and interests.

PROFESSIONAL DEVELOPMENT (PD)

District PD Days - by department, discipline, and school through surveys and evaluations of Professional Development needs has been conducted and PD experiences to maintain all new initiatives as well as Technology needs.

Job-embedded Staff Development - classrooms are set up that become instructional models for the district wherein the teachers and/or outside consultants' model best practices. A Collaborative school site has been established and is presently being used as model classrooms for district staff members.

Professional Learning Communities - implementation of this model of staff development wherein staff members become part of a Professional Development committee. This is a collaborative, collegial model of PD.

Virtual Professional Academy: PD experiences for staff that include webinars, videos, podcasting, jings and videoing of our in-district workshops for sharing through Frontline.

Summer Institutes: During July and August 2018, the district provided PLC opportunities, AP Training, and Engineering training to support pedagogy and content in subject areas and programs of study.

County Roundtables: Essex County Special Services Roundtable, Essex County Curriculum Roundtable, and the Essex County Superintendents Roundtable provided professional development to district leaders.

Professional Organizations and Conferences: Administrators received professional development through organizations that include but are not limited to Association for Supervisors and Curriculum Development, National Council of Teachers of English, National Council of Mathematics Teachers, NJ Council for Social Studies, International Reading Association, and International Technology Education

PROFESSIONAL DEVELOPMENT (PD) – Cont'd

Partnerships with Universities and Providers:

Montclair State University - PRISM – District was in partnership with the Learning Center at Montclair State University specifically addressing our Mathematics content through seminars and job-embedded professional development for content specific mathematics topics, pedagogy and science topics. **Woodrow Wilson Scholars, Community Schools, 21st Century Grant**

Seton Hall University- We partnered with the School of Education addressing pedagogy and internships and the School of Business for the Junior MBA Program

Rutgers University: We are in partnership with Rutgers University on STEM initiatives and project-based learning for STEM teachers; Health Sciences partnership

NJIT: We partnered with NJIT to provide college classroom experiences for our students wherein they are earning credit for outside classroom work. Additionally, Real World Connections (RWC) worked with grades 8-12. Swing space for STEM was provided.

Partnerships with Outsourced Consultant Experts:

State of New Jersey Department of Education (NJDOE) - NJDOE representative conducts full day workshops in addition to job-embedded staff development for Language Arts teachers and Master Teachers.

Houghton Mifflin Harcourt: Professional development was provided for *Go Math* and *Math in Focus* teachers for implementation of the programs with fidelity. Math 180, Read 180, iRead and System 44 must be implemented with fidelity for success. Scholastic will provide initial training for teachers and administrators, as well as job-embedded professional development for successful implementation. (Single Source)

NJAPERD: Professional development for physical education/health teachers, including alignment to NJ standards and mandatory training.

Genesis: We conducted professional development on student database training for administrators and school secretaries.

Frontline: We conducted Professional Development for Reflect online training and Learn component.

Professional development was conducted for administrators and teachers for implementing an on-line professional development request and tracking program, aligned with professional improvement plans and NJDOE requirements.

Luna Stage Company, Inc.: Professional development was conducted for drama teachers for staging, projecting, and critiquing.

Arts Unbound: Professional development was conducted for art teachers for project-based learning

Lifesavers, Inc.: We conducted mandatory CPR training.

PROFESSIONAL DEVELOPMENT (PD) – Cont'd

American Red Cross of Fairfield: We conducted professional development for one teacher to attain CPR Instructor Training to alleviate the need to hire outside consultants.

Newark Beth Israel Medical Center: Helped to conduct mandatory CPR training to certain staff.

NJ Performing Arts Center: Rendered professional development for VPA teachers regarding the MANY program, which provides instrumental instruction at NJPAC after school and on Saturdays.

NJ Center for Teaching and Learning: Conducted Mathematics PD in mathematics content.

FEA: Rendered professional development for the Human Resource Specialist and legal training for administrators.

Language and Literacy Association: WIDA training for the new mandated online ACCESS assessment.

Douglas Farrand: Conducted professional development for instrumental teachers in the El Sistema method

Tricia Tunstall: Conducted professional development in the El Sistema methodology for VPA teachers. She is the author of the seminal guide for this program.

David Fryling: Conducted professional development in Choral best practices for vocal music teachers.

A+ Education and Performing Arts: Conducted professional development for instrumental teachers and marching band advisors.

Glassroots: Conducted professional development for art teachers to expand their repertoires and address another facet of the NJCCCS.

OTHER INITIATIVES

Diagnostic and Benchmark Assessment Tools:

- Unit Assessments
- Authentic (project-based) Assessments

Individual Student Portfolios – Established criteria for a student portfolio program that will track skills and include artifacts. Individual Student Portfolio Plan– presented guidelines for portfolios to be established for all core subject areas from grades 1-12 in an effort to track student progress and differentiate instruction based on the data. Kindergarten will begin Work Sampling, which includes anecdotal records.

4. Test Scores:

MATHEMATICS

Credit/Subject	2015 % Met Expectations/ Exceeded Expectations	2016 % Met Expectations/ Exceeded Expectations	2017 % Met Expectations/ Exceeded Expectations	2018 % Met Expectations/ Exceeded Expectations	2018 New Jersey % Met Expectations/ Exceeded Expectations	Orange Difference	NJ Difference
3	15%	28%	26%	29.5%	53.0%	+3.5	0.0
4	19%	20%	24%	27.2%	49.4%	+3.2	+1.4
5	18%	21%	17%	21.4%	48.8%	+4.4	+2.8
6	15%	15%	18%	22.1%	43.5%	+4.1	-0.5
7	18%	16%	17%	26.7%	43.4%	+9.7	-3.4
8	13%	17%	9%	11.0%	28.2%	+2	-9.8
Algebra I	23%	25%	16%	25.3%	45.8%	+9.3	+3.8
Algebra II	9%	14%	12%	4.0%	28.6%	-8	+1.6
Geometry	Score suppressed	11%	10%	20.5%	29.5%	+10.5	-0.5

ELA

Credit/Subject	2015 % Met Expectations/ Exceeded Expectations	2016 % Met Expectations/ Exceeded Expectations	2017 % Met Expectations/ Exceeded Expectations	2018 Orange % Met Expectations/ Exceeded Expectations	2018 New Jersey % Met Expectations/ Exceeded Expectations	Orange Difference	NJ Difference
3	14%	23%	28%	30.0%	51.7%	+2	+1.7
4	24%	24%	30%	34.5%	58.0%	+4.5	+2
5	24%	30%	31%	31.8%	58.0%	+0.8	-1
6	25%	30%	37%	38.4%	56.2%	+1.4	+3.2
7	30%	34%	37%	55.8%	62.7%	+18.8	+3.7
8	31%	34%	36%	34.6%	60.4%	-1.4	+1.4
9	24%	25%	24%	26.6%	54.1%	+2.6	+3.1
10	12%	26%	21%	24.6%	49.9%	+3.6	+5.9
11	21%	24%	29%	32.9%	38.1%	+3.9	+1.1

5. INTERNAL CONTROL

Management of the District is responsible for establishing and maintaining internal control 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 accounting principles generally accepted in the United States (GAAP). Internal control 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 control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

6. BUDGETARY CONTROLS

In addition to internal control, 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 District's Board and the Board of School Estimate. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

The budget serves as the basis for the district's financial planning and control. Funds transfer are subject to Board approval, budget transfers exceeding certain threshold require prior approval by the State's department of education through the county office.

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 the fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance, assigned to other purposes at June 30, 2018.

7. DEFERRAL OF JUNE STATE AID PAYMENTS

For the 2017-2018 fiscal year, the Office of the Governor of New Jersey announced that due to the extreme economic hardship facing the State, the June 2018 State aid payment to school districts will be delayed until next fiscal year. In accordance with the directives from the NJDOE, all school districts are required to record both June payments as revenue in their budgetary schedules in the 2017-2018 school year but for the GAAP statements, these payments will be recognized and reported as revenue in the subsequent fiscal year.

8. LONG-TERM FINANCIAL PLANNING

The District changed its board from type I to type II, and issued a bond for \$3,744,000 to finance certain capital projects, which includes installation of new Playground and Play Equipment, Parking lots repaving, Boilers and HVAC replacement, Properties acquisition etc. The investment in capital Project will address current needs and anticipated increase in students' population, modernize and improve the safety of outdated educational facilities.

The District adheres to the policy guidelines established by the New Jersey State legislature and the New Jersey Department of Education. The State legislature enacted senate bill S-1701 in December 2004, one of the objectives was to provide statewide property tax relief. S-1701 reduced the amount of unreserved / undesignated surplus funds a school district may retain. Any surplus funds in excess of this amount must be used for tax relief, in the case of Abbott School districts whose tax levies were frozen will be used to reduce state funding.

Other efforts the District used in reducing expenditures include assessment of infrastructure projects that fall under New Jersey School Development Authority (given the district's former status as an Abbott district), green solution initiatives that lower facility energy usages, best practices and efficiencies in central office, management of custodial and security operations, maintaining a competitive edge in procurement of goods and services, cooperative pricing etc.

9. ACCOUNTING SYSTEM AND REPORTS

The District's financial statements are presented in conformity with generally accepted accounting principles in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and a government-wide presentation is also included. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

10. AWARDS

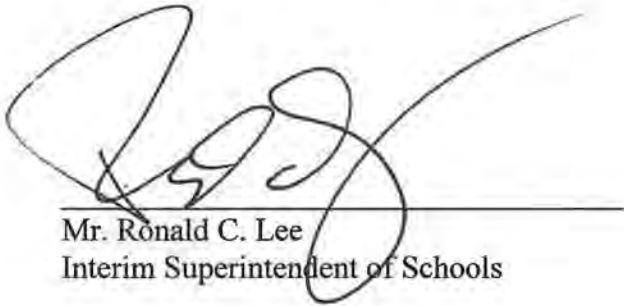
The Association of School Business Officials International (ASBO) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2014. The District was awarded the prestigious award of certificate of excellence in Years ended June 30, 2009, 2010, 2012 and 2013. The Certificate of Excellence in Financial Reporting Program was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting.

By preparing and presenting a CAFR, the City of Orange Township Public Schools has validated the credibility of its school system's operations, measured the integrity and technical competence of the business office staff, assisted in strengthening our presentations for bond requests, and provided professional recognition.

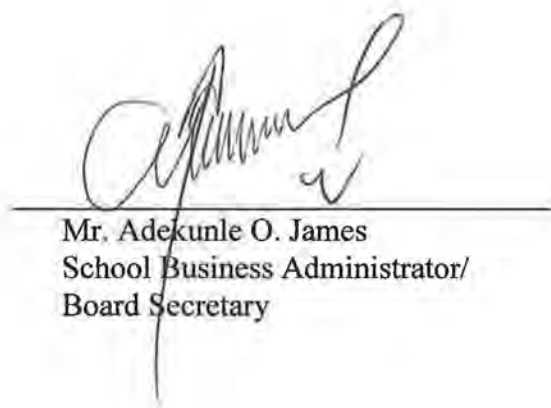
11. ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the City of Orange Township Board of Education, the Mayor Dwayne Warren, Esq., the City Council, the Police Department, the Fire Department, the City Tax Assessor Department, Public Works Department, the City Finance Department and the City Recreation Department for their concern in providing fiscal accountability to the citizens and taxpayers of the City of Orange Township School District and, thereby, contributing their support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our Business Office financial and accounting staff.

Respectfully submitted,

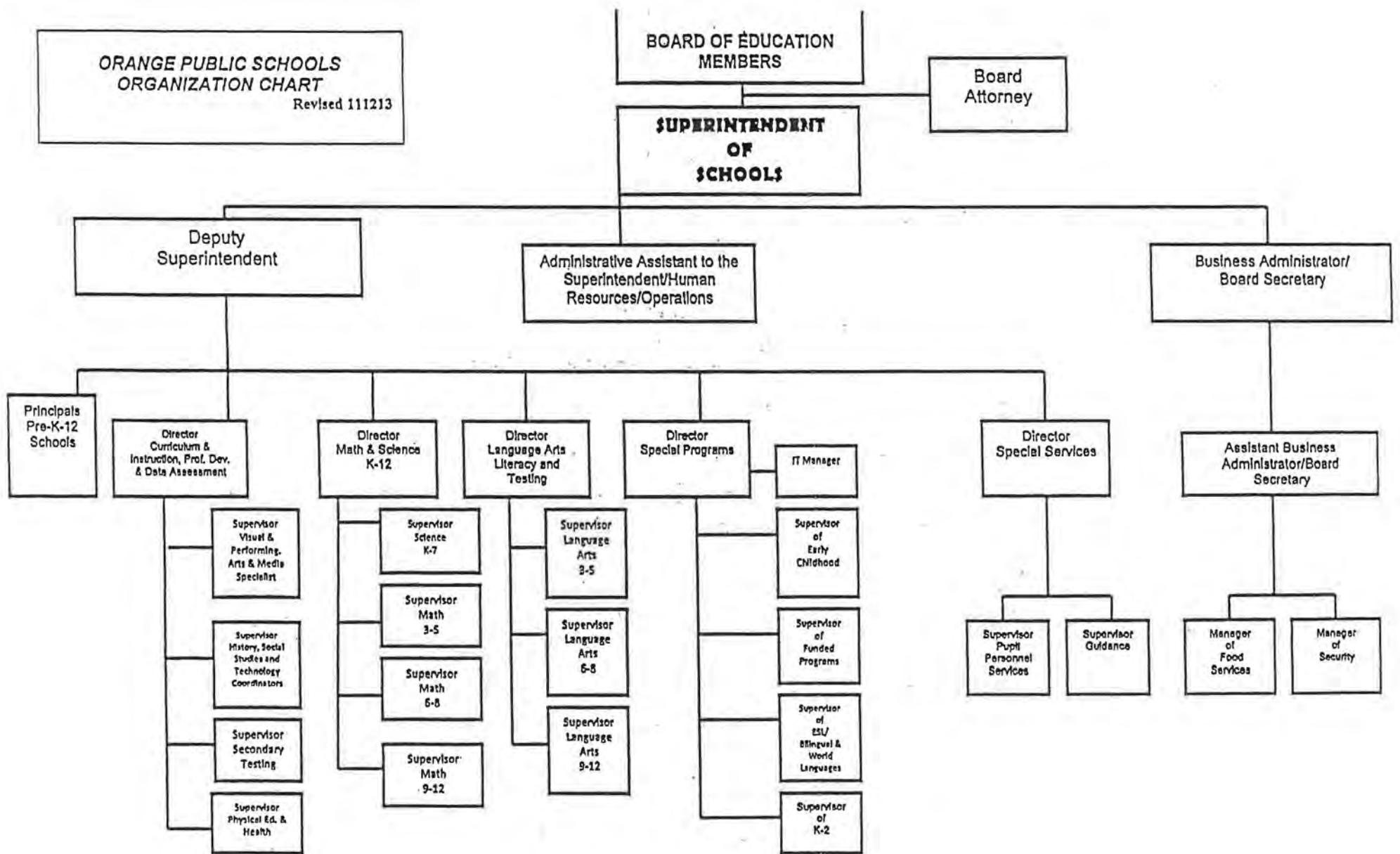


Mr. Ronald C. Lee
Interim Superintendent of Schools



Mr. Adekunle O. James
School Business Administrator/
Board Secretary

**ORANGE PUBLIC SCHOOLS
ORGANIZATION CHART**
Revised 111213



CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX, NEW JERSEY

ROSTER OF OFFICIALS

AT JUNE 30, 2018

<u>Board Members</u>	<u>Appointed/ Elected Re-Appointed</u>	<u>Term Expires</u>
E. Lydell Carter, President	May 2016	2020
Dr, Courtne Thomas, Vice President	May 2017	2020
Cristina Mateo, Member	May 2017	2021
Jeffrey Wingfield, Member	May 2017	2021
Rhoda Irovia, Member	November 2017	2019
Kyleesha Hill, Member	May 2016	2020
Jarteau Israel, Member	May 2015	2019
Siaka Sherif, Member	March 2018 *	2019
Tyrone Tarver, Member	March 2018 *	2021

*-Elected

Other Officials

Ronald C. Lee, Interim Superintendent of Schools

Dr. Paula Howard, Deputy Superintendent of Curriculum & Instruction Services

Adekunle O. James, School Business Administrator/Board Secretary

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX, NEW JERSEY**

CONSULTANTS AND ADVISORS

ARCHITECTS

Yezzi Associates
Massimo F. Yezzi, Jr.
Board Architects and Planners
18 Washington Street
P. O. Box 1638
Toms River, New Jersey 08754

INDEPENDENT AUDITORS

Samuel Klein and Company
Certified Public Accountants
550 Broad Street, 11th Floor
Newark, New Jersey 07102

ATTORNEYS-AT-LAW

Ronald Hunt
School Board Attorney
Hunt, Hamlin & Ridley
60 Park Place, 16th Floor
Newark, New Jersey 07102

FISCAL AGENT

Olugbenga Olabintan, CPA
137 Camden Street, 3rd Floor
Newark, New Jersey 07102

OFFICIAL DEPOSITORY

Bank of America
425 Main Street
Orange, New Jersey 07050

FINANCIAL SECTION

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, NJ 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, NJ 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
City of Orange Township School District
County of Essex
Orange, New Jersey 07050

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Orange Township School District in the County of Essex, State of New Jersey, as of and for the year ended June 30, 2018 and the related Notes to Financial Statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Orange Township School District, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Orange Township School District's basic financial statements. The accompanying supplementary information, which consists of the combining and related major fund supporting financial statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Audits, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* and the other information such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Combining and Individual Fund Financial Statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Combining and Individual Fund Financial Statements and the Schedule 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 other information identified above has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2019, on our consideration of the City of Orange Township School District's internal control over financial reporting and on our 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 our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 City of Orange Township School District's internal control over financial reporting and compliance.



WALTER RYGLICKI
Licensed Public School Accountant #845



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
February 25, 2019

REQUIRED SUPPLEMENTARY INFORMATION - PART I

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the fiscal year ended June 30, 2018

It is a privilege to present to you the financial condition of the City of Orange Township Public Schools ("the District"). This discussion and analysis of the Orange Board of Education's financial performance provides an overall review of the Orange Board of Education's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to examine the Orange Board of Education's financial performance as a whole. The readers of this document should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for States and Local Governments. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, this document also contains required and other supplementary information that will enhance the reader's understanding of the financial condition of the District.

Long Term Financial Planning

The School District continues its effort to provide world class opportunities for the children of City of Orange Township through innovation, sound fiscal management, and choices that align with the District's priorities and values. Presently the School District is discussing several capital projects and the costs before presenting to the voters for comments, prior to holding a special school election whereby voter approval would be sought.

General Obligation Bond

On October 11, 2018, the School District issued School Bonds (Series 2018) in the amount of \$3,744,000 to permanent finance the current projects.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The **Statement of Net Position** presents information on all of the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The **Statement of Activities** presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

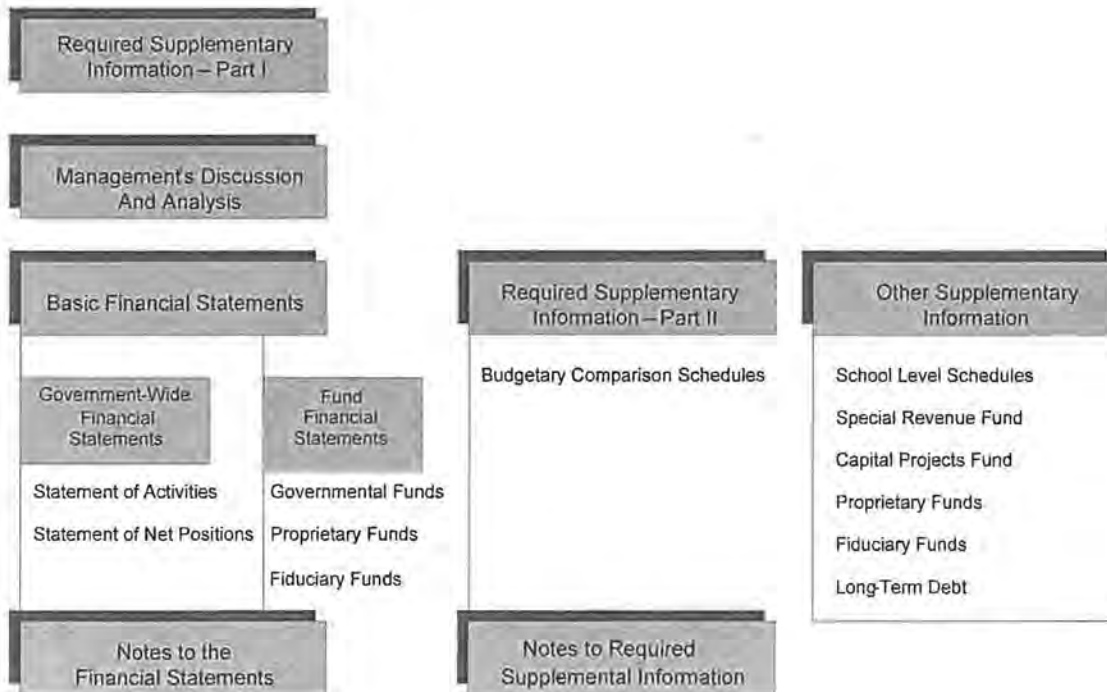
CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
 Management's Discussion and Analysis
 For the fiscal year ended June 30, 2018

UNDERSTANDING THE FINANCIAL STATEMENTS

The Financial Section of the CAFR includes a series of Basic Financial Statements and the notes thereto. The financial statements are grouped under related categories and are presented so the reader can obtain an understanding of the financial condition of the District as a whole (Government-wide Financial Statements, Exhibit A), its funds (Fund Financial Statements, Exhibit B) along with its fiduciary responsibility.

Figure I depict the inter-relationship of the various elements presented in the Financial Section of this CAFR. You will notice it shows the names of the Basic Financial statements under the Government-wide Financial Statements, but it does not list the names of the statements and schedules under the listing of Fund Financial Statements and Supplementary Information. Instead, it shows the names of various funds and schedules.

FIGURE I – Inter-Relationship of Financial Statements Presented in the Financial Section



CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the fiscal year ended June 30, 2018

Financial Highlights

Key financial highlights for the District for the fiscal year 2018, as reflected in the Basic Financial Statements, are as follows:

1. There was an overall decrease of 17.3% or \$23,252,926 in the revenue as reported in the Statement of Activities (Table III). The decrease in total revenue was mainly due to a decrease in federal and state aid not restricted revenue of \$22,109,060 and a decrease in miscellaneous revenue of \$3,140,300.
2. There was a deferral of the last State Aid payment of \$8,528,027 for 2017 to fiscal year 2018.
3. There was an overall decrease of about 13.2% in total liabilities of the District in fiscal year 2018 from fiscal year 2017 mainly due to GASB 68.

The total revenues from governmental activities of \$107,594,499 came from two major sources, the general revenue, consisting principally of Federal awards and State financial assistance, property and other taxes, and program specific revenue, such as operating grants and contributions. General revenue for the fiscal year amounted to \$82,076,662 or 76.3% of total revenues, and program specific revenues from charges for services, grants, and contributions amounted to \$25,517,837 or 25.7% of total revenues (Table III).

The revenues received during fiscal year 2018 were used to pay expenses of \$111,097,431 in governmental activities. General revenues, primarily taxes and state grants and entitlements, were sufficient to provide for the program expenses, resulting in a decrease in net position of \$3,502,932 for the fiscal year 2018 (Table III).

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the fiscal year ended June 30, 2018

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) OUTLINE

The annual report consists of two distinct sets of financial statements, namely, the government-wide and fund financial statements. The government-wide statements are designed to show the District's overall economic activity in the Statement of Net position and Statement of Activities. These statements also provide information about governmental and business type activities of the whole District while presenting an aggregate and long term view of the District finances.

The fund financial statements provide the next level of details and consist of Governmental Funds, Proprietary Fund and Fiduciary Funds. These statements present the District's most significant funds, i.e., the General, Special Revenue and Capital Project Funds. Governmental Funds statements present how services were financed in the short-term, as well as the funds remaining for future spending in the Proprietary Fund statements.

REPORTING THE SCHOOL DISTRICT AS A WHOLE (GOVERNMENT-WIDE REPORTING)

Statement of Net Position and Statement of Activities – (Exhibits A-1, A-2)

The view of the District as a whole looks at all financial transactions and ask the questions, "Are we in a better financial position this year compared to last year?" and "Why?" or "Why not?" The Statement of Net Position and the Statement of Activities provide the basis for answering these questions. The statements include all assets plus deferred outflows of resources and all liabilities plus deferred inflows of resources using the accrual basis of accounting similar to the basis of accounting used by most private sector companies. This basis of accounting takes into consideration all the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and any changes in those positions. The change in net position is very important because it tells the reader whether the financial position for the District as a whole has improved or diminished. The cause of this change may be due to many factors, including factors that are not under the district's control, such as the City of Orange Township's property tax base, State of New Jersey schools funding formula, and Federal funds available for schools.

The Statement of Net Position and Statement of Activities are divided into two distinct kinds of activities.

Governmental Activities –Most of the District's programs and services reported here include instructions, support services, operation and maintenance of plan, pupil transportation, school business administration, and interest costs.

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the fiscal year ended June 30, 2018

REPORTING THE SCHOOL DISTRICT AS A WHOLE (GOVERNMENT-WIDE REPORTING) – CONTINUED

Statement of Net Position and Statement of Activities – (Exhibits A-1, A-2) – Continued

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District food service activities are reported as business activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS FUND LEVEL REPORTING

The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The analysis of the District's major funds begins on Exhibit B-1. Fund level financial reports provide detailed information about the District's major funds. New Jersey school districts are required to treat all governmental and enterprise funds as major funds because of the importance placed on these funds by users of these financial statements, as well as, state and federal requirements.

Governmental Funds (Exhibit B1,B2) – Most of the District's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the accounting method called **Modified Accrual Accounting**. This method of accounting measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detail short-term view of the District's general government operations and the basic services it provides.

Governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as balances available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements, particularly relating to educational programs. The relationship or differences between governmental activities reported at the government-wide level and those reported at the Fund Level are reconciled in the financial statements of the governmental funds.

The District maintains three separate governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund and the capital projects fund, all of which are considered to be major funds.

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
 Management's Discussion and Analysis
 For the fiscal year ended June 30, 2018

**REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS FUND LEVEL
 REPORTING – CONTINUED**

TABLE I – Schedule of (Deficit) Fund Balance for Governmental Funds (Exhibit B-1)

	2018				
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Government Funds
Assets	\$ 2,068,031	\$ 1,756,392	\$ 3,687,629	\$ -	\$ 7,512,052
Liabilities	<u>1,278,292</u>	<u>2,251,226</u>	<u>572,670</u>	<u>23,044</u>	<u>4,125,232</u>
(Deficit) Fund Balance	<u>\$ 789,739</u>	<u>\$ (494,834)</u>	<u>\$ 3,114,959</u>	<u>\$(23,044)</u>	<u>\$ 3,386,820</u>

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis
For the fiscal year ended June 30, 2018

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS FUND LEVEL REPORTING – CONTINUED

Proprietary Fund (Exhibit B3-B5) – Food Service Fund has historically operated as Enterprise Fund using the same basis of accounting as business-type activities. These statements will essentially match the information provided in the basic financial statements for the District as a whole.

Fiduciary Funds (Exhibit B6, B7) – The Board acts as a Fiduciary or Trustee for these funds. Activities of these funds are excluded from the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District uses agency funds to account for resources held for student activities and groups and payroll related liabilities.

Financial Analysis of the District as a Whole

Changes in Net Position (Tables II & III)

Table I shows the changes in net position for the fiscal year 2018 in comparison with the fiscal year 2017. There has been a decrease of 3.7% in the total net position in comparison with the last fiscal year, primarily attributable to GASB 68 and the establishment of Debt Service Fund.

Table III shows the comparative summary of Statements of Activities for the fiscal years 2018 and 2017, respectively. Miscellaneous decreased by 83.9%, operating grants and contributions increased by 6.7% and Federal and State Aid (unrestricted) exhibited an increase of 2.0%. An overall increase of 17.3% was shown in the total revenue. There was an overall decrease in charges for Service of 18.8%. For the fiscal year 2018, the District experienced an overall increase of 14.8% for expenditures. The dependence upon general revenues for governmental activities is apparent. Over 64.4% of total governmental activities are supported by unrestricted State aid, property taxes and operating grants and contributions.

Changes in Net Cost of Service (Table III)

The Statement of Activities (Exhibit A-2) also shows the net cost of program services and the charges for these services and offsetting grants. Net Cost of Service is the financial burden placed on taxpayers. Table III illustrates the net cost of service in a comparative summary for fiscal years 2018 and 2017. Net Cost of Service exhibited an overall decrease of 15.4%.

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS

Table II - The District As A Whole
Comparative Summary of Statement of Net Position
For the fiscal years ended June 30, 2018 and 2017

	2018			2017			Percentage Change from 2016 to 2017
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total	
ASSETS							
Current and other assets	\$ 7,512,052	\$ 604,451	\$ 8,116,503	\$ 8,361,620	\$ 886,916	\$ 9,248,536	-12.2%
Capital Assets, net	132,467,607	15,083	132,482,690	133,184,391	33,370	133,217,761	-0.6%
Total Assets	\$ 139,979,659	\$ 619,534	\$ 140,599,193	\$ 141,546,011	\$ 920,286	\$ 142,466,297	-1.3%
DEFERRED OUTFLOWS OF RESOURCES							
Pensions	\$ 7,767,678		\$ 7,767,678	\$ 9,366,875		\$ 9,366,875	-17.1%
	\$ 147,747,337	\$ 619,534	\$ 148,366,871	\$ 150,912,886	\$ 920,286	\$ 151,833,172	-18.4%
LIABILITIES AND NET POSITION							
Liabilities:							
Current and Other Liabilities:							
Due Within One Year	\$ 5,063,115	\$ 543,164	\$ 5,606,279	\$ 4,624,875	\$ 708,223	\$ 5,333,098	5.1%
Noncurrent Liabilities:							
Net Pension Liability	22,610,585		22,610,585	27,361,731		27,361,731	-17.4%
Compensated Absences	1,532,321		1,532,321	1,575,252		1,575,252	-2.7%
Total Liabilities	29,206,021	543,164	29,749,185	33,561,858	708,223	34,270,081	-13.2%
DEFERRED INFLOWS OF RESOURCES							
Pensions	4,448,704		4,448,704	-		-	#DIV/0!
Net Position:							
Investment in Capital Assets	132,467,607	15,083	132,482,690	134,184,391	33,370	134,217,761	-1.3%
Restricted for:							
Other purposes	3,114,959		3,114,959	2,550,000		2,550,000	22.2%
Unrestricted (Deficit)	(21,489,954)	61,287	(21,428,667)	(18,383,363)	145,323	(18,238,040)	17.5%
Total Net Position	114,092,612	76,370	114,168,982	118,351,028	178,693	118,529,721	-3.7%
Total Liabilities and Net Position	\$ 147,747,337	\$ 619,534	\$ 148,366,871	\$ 151,912,886	\$ 886,916	\$ 152,799,802	-2.9%

The 2016-2017 Governmental Activities has been restated to conform to the 2017-2018 presentation as a result of GASB #75 related to post-retirement benefits other than pension.

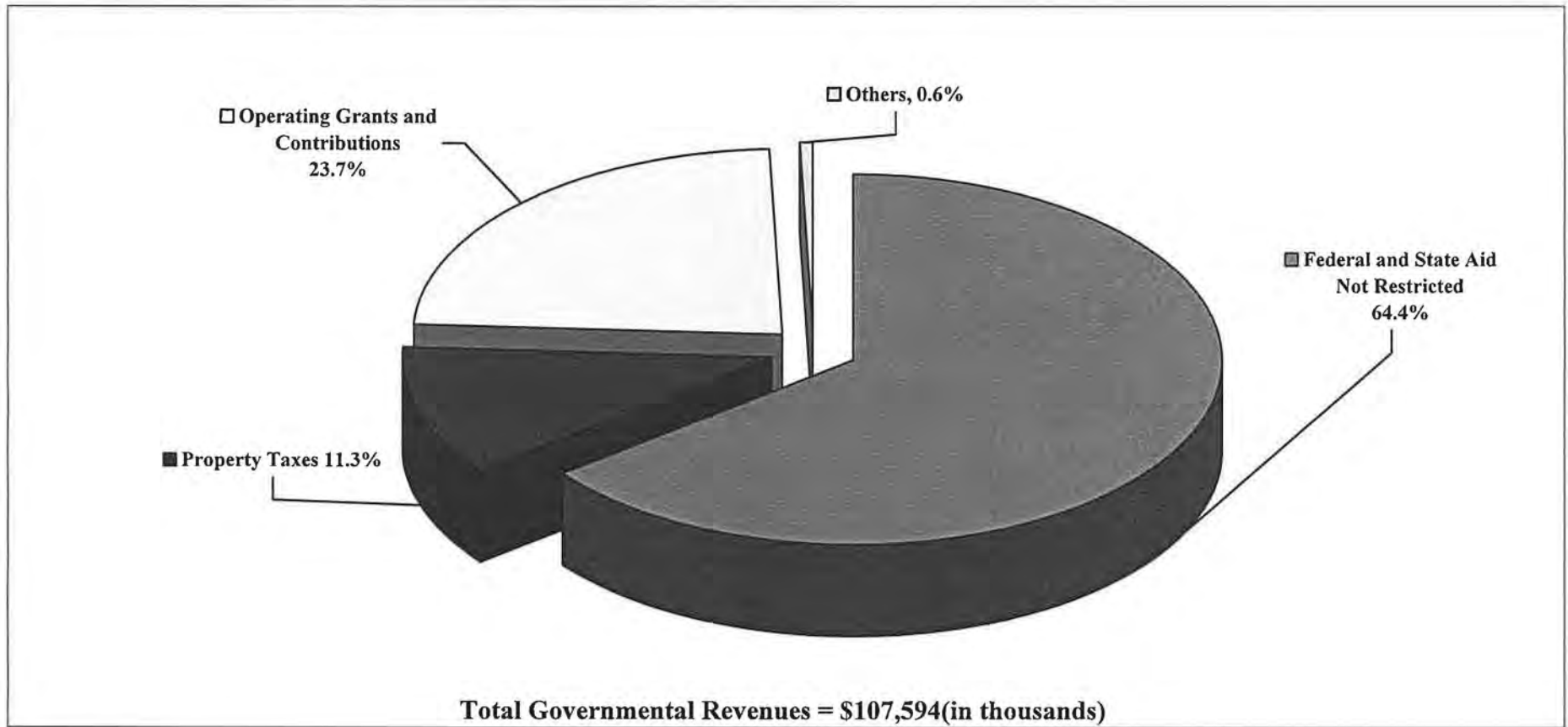
CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS

Table III - The District As A Whole
 Comparative Summary of Statement of Activities
 For the fiscal years ended June 30, 2018 and 2017

	2018			2017			Percentage Change from 2016 to 2017
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total	
REVENUES							
Operating Grants and Contributions	\$ 25,517,837	\$ 3,145,620	\$ 28,663,457	\$ 23,914,633	\$ 2,957,290	\$ 26,871,923	6.7%
General Revenues:							
Property Taxes	12,164,664		12,164,664	11,926,140		11,926,140	2.0%
Federal and State Aid not Restricted	69,308,872		69,308,872	91,417,932		91,417,932	-24.2%
Charges for Services		145,535	145,535		179,159	179,159	-18.8%
Miscellaneous	603,126	-	603,126	3,743,426		3,743,426	-83.9%
Total Revenues	<u>107,594,499</u>	<u>3,291,155</u>	<u>110,885,654</u>	<u>131,002,131</u>	<u>3,136,449</u>	<u>134,138,580</u>	-17.3%
Program Expenses							
Instructional Services	53,015,747		53,015,747	67,293,961		67,293,961	-21.2%
Tuition	6,237,658		6,237,658	5,601,755		5,601,755	11.4%
Student and Instruction Related Services	23,301,976		23,301,976	28,253,104		28,253,104	-17.5%
General Administration Services	5,349,521		5,349,521	6,348,332		6,348,332	-15.7%
School Administrative Services	7,197,821		7,197,821	7,909,268		7,909,268	-9.0%
Plant Operation and Maintenance	9,344,016		9,344,016	9,210,265		9,210,265	1.5%
Pupil Transportation	3,313,774		3,313,774	3,234,073		3,234,073	2.5%
Special Schools	156,035		156,035	284,028		284,028	-45.1%
Charter Schools	3,180,883		3,180,883	3,111,861		3,111,861	2.2%
Food Service		3,393,478	3,393,478		3,203,591	3,203,591	5.9%
Total Expenses	<u>111,097,431</u>	<u>3,393,478</u>	<u>114,490,909</u>	<u>131,246,647</u>	<u>3,203,591</u>	<u>134,450,238</u>	-14.8%
Change in Net Position	<u>\$ (3,502,932)</u>	<u>\$ (102,323)</u>	<u>\$ (3,605,255)</u>	<u>\$ (244,516)</u>	<u>\$ (67,142)</u>	<u>\$ (311,658)</u>	1056.8%

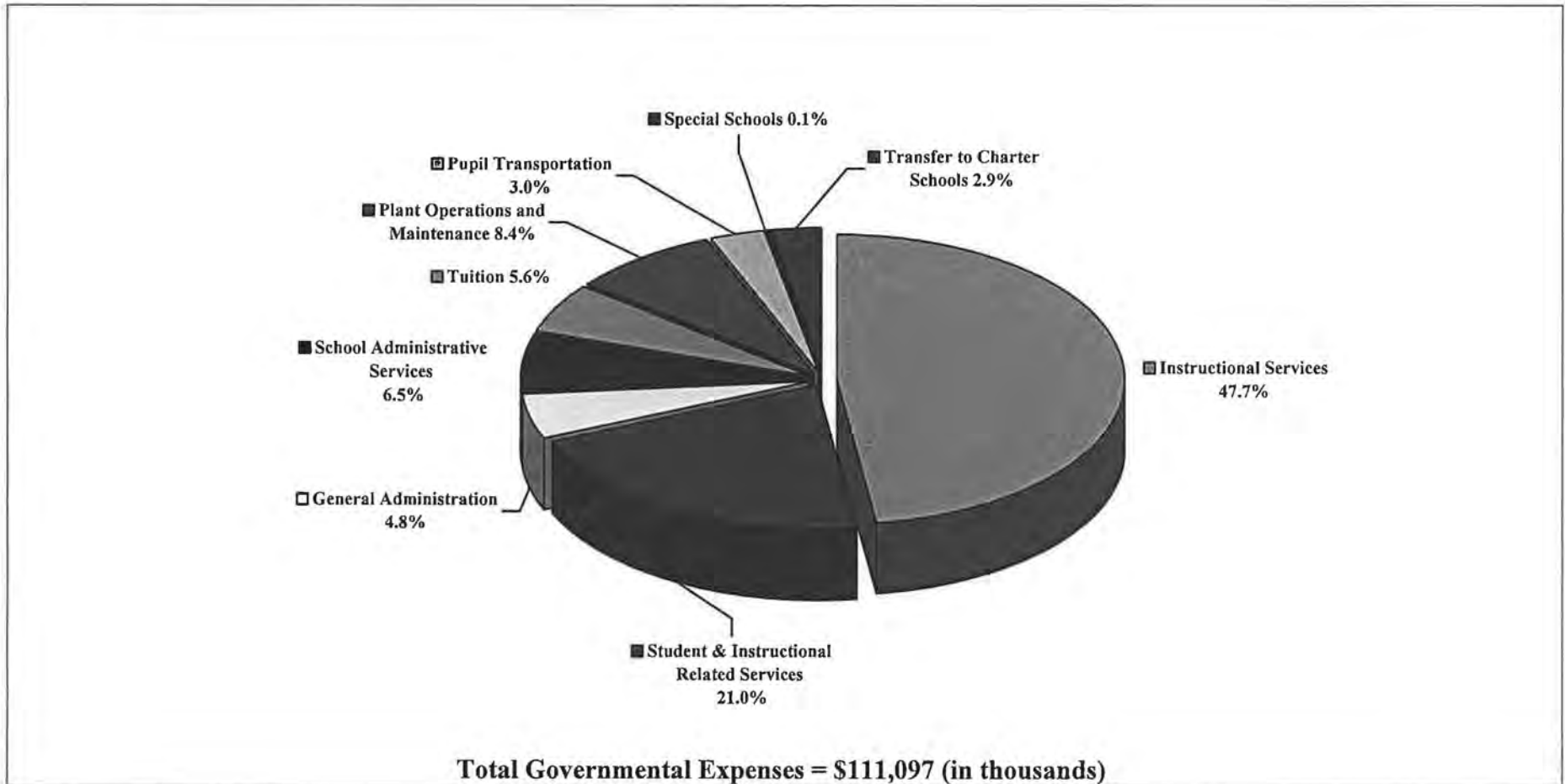
CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
Table III - The District As A Whole – Continued
Comparative Summary of Statement of Activities
For the fiscal years ended June 30, 2018 and 2017

FIGURE II – Revenues by Source – Governmental activities (2018)



CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
 Table III - The District As A Whole – Continued
 Comparative Summary of Statement of Activities
 For the fiscal years ended June 30, 2018 and 2017

FIGURE III – Expenses by Function – Governmental activities (2018)



CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
 Table IV – The District as a Whole
 Comparison of Cost of Service for Governmental Activities
 For the fiscal years ended June 30, 2018 and 2017

Functions / Programs	2018	2017	Percentage Change from 2017 to 2018
Instruction:			
Regular program	\$ 53,015,747	\$ 67,293,961	-21.2%
Undistributed -Current:			
Tuition	6,237,658	5,601,755	11.4%
Student and Instructional Services	23,301,976	28,253,104	-17.5%
General Administration	5,349,521	6,348,332	-15.7%
School Administrative Services	7,197,821	7,909,268	-9.0%
Plant Operations and Maintenance Services	9,344,016	9,210,265	1.5%
Pupil transportation	3,313,774	3,234,073	2.5%
Transfers to charter schools	3,180,883	3,111,861	2.2%
Special schools	156,035	284,028	-45.1%
Total Governmental Expenses	\$ 111,097,431	\$ 131,246,647	-15.4%

ASSETS, DEFERRED OUTFLOW OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

As of June 30, 2018, the City of Orange Township Public Schools had total assets of \$148,366,871 with 5.1% or \$7,512,052 of those assets as current assets, 5.2% or 7,7767,678 as deferred outflows, and 89.3% or \$132,467,607 being the net value of Capital Assets (Table II).

Business-Type Activities

Business-type activities consist of food service operation. This program had revenues of \$3,291,155 and expenses of \$3,393,478 for fiscal year 2018. Over 95.5% of those program revenues were from federal and state food nutrition programs. The District participates in the USDA commodities program.

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the fiscal year ended June 30, 2018

ASSETS, LIABILITIES AND NET POSITION – CONTINUED

The District's Governmental Funds

The District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$116,814,725 and expenditures of \$118,096,633.

General Fund Budgeting Highlights

The District's budget is prepared according to the State of New Jersey budget law and is based on a basis of cash receipts, disbursements, and encumbrance system. The most significant budgeted funds are the General Fund and the Special Revenue Fund.

During the fiscal year 2018, the District amended its general fund budget. The amendment was due to changes in expenditure priorities of the District and additional state aid revenues. The State of New Jersey Budget guidelines provide flexibilities for Districts to amend budget line items upon the Board's approval.

At June 30, 2018, the District had fund balance committed to year end assigned for other purposes (encumbrances) of \$3,004,793 restricted – excess surplus of \$779,312, restricted excess surplus for subsequent years expenditures of \$2,600,000, unassigned fund deficit of \$(6,112,244) and restricted –capital projects of \$3,114,959 in the Governmental Funds. The deficit was primarily due to the deferral of last state aid payment of \$8,528,027 to fiscal year 2019, resulting in an under-funding of the 2017/2018 budget.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2018. The district had \$132.4 million invested in different categories net of accumulated depreciation, as shown in the table below.

<u>Categories</u>	<u>2018</u>	<u>2017</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Land	\$ 1,511,880	\$ 1,511,880	\$ -	0.0%
Construction in Progress	1,809,259		1,809,259	100.0%
Site Improvements and Buildings	124,540,518	127,481,189	-2,940,671	-2.3%
Machinery and Equipment	4,605,950	4,191,322	414,628	9.9%
Total	\$ 132,467,607	\$ 133,184,391	\$ (716,784)	-0.5%

Detail information reflecting the District's capital asset balances and activity for the fiscal year ended June 30, 2018 is provided in Note 5 to the Financial Statements.

Business Type Activities

At the end of the fiscal year 2018, the District had Capital Assets net of accumulation depreciation of \$15,083. Refer to notes to financial statements (Note 5) for more detailed information

Debt Administration this has to be amended based upon bond counsel and board developed wording

As of June 30, 2018 the District does not have any outstanding bond issues; however the Municipality has authorized District Debt on behalf of the School District of \$3,477,000..

CHANGES IN LONG TERM LIABILITIES
At June 30, 2018 and 2017

<u>Categories</u>	<u>2018</u>	<u>2017</u>	<u>Differences Increase (Decrease)</u>	<u>Percentage Change Increase (Decrease)</u>
Compensated Absences Payable	1,532,321	1,575,252	(42,931)	-2.7%
Net Pension Liability	22,610,585	27,361,731	(4,751,146)	-17.4%
Total	<u>\$ 24,142,906</u>	<u>\$ 28,936,983</u>	<u>\$ (4,794,077)</u>	-16.6%

Detail information relating to changes in long-term liabilities for fiscal year ended June 30, 2018 is provide for in Note 6 to the Financial Statements

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the fiscal year ended June 30, 2018

ASSETS, LIABILITIES AND NET POSITION – CONTINUED

District's Financial Management Contact

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the City of Orange Township School District's finances and to show the district's accountability the funding it receives. If you have questions about this report or need additional financial information you can contact Adekunle James, School Business Administrator/Board Secretary at City of Orange Township Board of Education, 451 Lincoln Avenue, Orange, New Jersey 07050.

BASIC FINANCIAL STATEMENTS

A. DISTRICT-WIDE FINANCIAL STATEMENTS

**CITY OF ORANGE TOWNSHIP 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	\$ 4,302,098	\$ 34,330	\$ 4,336,428
Receivables, Net	3,209,954	534,828	3,744,782
Interfunds Receivable			
Inventory		35,293	35,293
Capital Assets, Net (Note 5):			
Capital Assets Not Being Depreciated (Land)	3,321,139		3,321,139
Capital Assets Being Depreciated (Site Improvements, Machinery and Equipment)	<u>129,146,468</u>	<u>15,083</u>	<u>129,161,551</u>
Total Assets	<u>139,979,659</u>	<u>619,534</u>	<u>140,599,193</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions (Note 8)	<u>7,767,678</u>		<u>7,767,678</u>
	<u>\$ 147,747,337</u>	<u>\$ 619,534</u>	<u>\$ 148,366,871</u>
LIABILITIES			
Cash Overdraft	\$ 23,044	\$	\$ 23,044
Accounts Payable	3,162,840	543,164	3,706,004
Payable to State Government	6,892		6,892
Payable to Federal Government	28,056		28,056
Loans Payable			
Payable to Local Government	718		718
Unearned Revenue	1,841,565		1,841,565
Noncurrent Liabilities:			
Net Pension Liability (Note 6 and 8)	22,610,585		22,610,585
Compensated Absences (Note 6)	<u>1,532,321</u>		<u>1,532,321</u>
Total Liabilities	<u>29,206,021</u>	<u>543,164</u>	<u>29,749,185</u>
DEFERRED INFLOWS OF RESOURCES			
Pensions	<u>\$ 4,448,704</u>		<u>\$ 4,448,704</u>
NET POSITION			
Investment in Capital Assets	132,467,607	15,083	132,482,690
Restricted for:			
Capital Projects	3,114,959		3,114,959
Other Purposes			
Unrestricted (Deficit)	<u>(21,489,954)</u>	<u>61,287</u>	<u>(21,428,667)</u>
Total Net Position	<u>\$ 114,092,612</u>	<u>\$ 76,370</u>	<u>\$ 114,168,982</u>

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

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:						
Instruction:						
Regular	\$ 39,958,921	\$	\$ 10,663,463	\$ (29,295,459)	\$	\$ (29,295,459)
Special Education	8,872,597		1,765,289	(7,107,308)		(7,107,308)
Other Special Instruction	3,240,567		645,708	(2,594,859)		(2,594,859)
Other Instruction	943,662			(943,662)		(943,662)
Support Services:						
Tuition	6,237,658			(6,237,658)		(6,237,658)
Student and Instruction Related Services	23,301,976		11,533,915	(11,768,061)		(11,768,061)
School Administrative Services	7,197,821		839,489	(6,358,332)		(6,358,332)
General Administrative Services	5,349,521		69,974	(5,279,547)		(5,279,547)
Plant Operations and Maintenance	9,344,016			(9,344,016)		(9,344,016)
Pupil Transportation	3,313,774			(3,313,774)		(3,313,774)
Special Schools	156,035			(156,035)		(156,035)
Charter Schools	3,180,883			(3,180,883)		(3,180,883)
Total Governmental Activities	<u>111,097,431</u>		<u>25,517,837</u>	<u>(85,579,594)</u>		<u>(85,579,594)</u>
Business-Type Activities:						
Food Service	3,393,478	145,535	3,145,620		(102,323)	(102,323)
Total Business-Type Activities	<u>3,393,478</u>	<u>145,535</u>	<u>3,145,620</u>		<u>(102,323)</u>	<u>(102,323)</u>
Total Primary Government	<u>\$ 114,490,909</u>	<u>\$ 145,535</u>	<u>\$ 28,663,457</u>	<u>\$ (85,579,594)</u>	<u>\$ (102,323)</u>	<u>\$ (85,681,917)</u>
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$ 12,164,664	\$	\$ 12,164,664
Federal and State Aid Not Restricted				69,308,872		69,308,872
Miscellaneous Income and Adjustment				603,126		603,126
Total General Revenues, Special Items, Extraordinary Items and Transfers				<u>82,076,662</u>		<u>82,076,662</u>
Change in Net Position				(3,502,932)	(102,323)	(3,605,255)
Net Position - Beginning				117,595,544	178,693	117,774,237
Net Position - Ending				<u>\$ 114,092,612</u>	<u>\$ 76,370</u>	<u>\$ 114,168,982</u>

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

B. FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

B-1

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 1,340,056	\$ 419,483	\$ 2,542,559	\$ -	\$ 4,302,098
Intergovernmental Accounts Receivable:					
State	653,625	2,888			856,513
Federal		1,272,627			1,272,627
Local	74,350	61,394	1,145,070		1,280,814
	<u>\$ 2,068,031</u>	<u>\$ 1,756,392</u>	<u>\$ 3,687,629</u>	<u>\$ -</u>	<u>\$ 7,512,052</u>
Total Assets					
LIABILITIES AND FUND BALANCE					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ 23,044.00	\$ 23,044
Accounts Payable	1,277,574	374,713	572,670		2,224,957
Intergovernmental Accounts Payable:					
State		6,892			6,892
Federal		28,056			28,056
Other	718				718
Unearned Revenue		1,841,565			1,841,565
Total Liabilities	<u>1,278,292</u>	<u>2,251,226</u>	<u>572,670</u>	<u>23,044</u>	<u>4,125,232</u>
Fund Balances:					
Restricted:					
Assigned for Other Purposes	3,004,793				3,004,793
Capital Projects			3,114,959		3,114,959
Excess Surplus - Designated for Subsequent Year's Expenditures	2,600,000				2,600,000
Excess Surplus	779,312				779,312
Unassigned (Deficit)	(5,594,366)	(494,834)		(23,044)	(6,112,244)
Total Fund Balance	<u>789,739</u>	<u>(494,834)</u>	<u>3,114,959</u>	<u>(23,044)</u>	<u>3,386,820</u>
Total Liabilities and Fund Balance	<u>\$ 2,068,031</u>	<u>\$ 1,756,392</u>	<u>\$ 3,687,629</u>	<u>\$ -</u>	<u>\$ 7,512,052</u>
Total Fund Balance Above					\$ 3,386,820
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 fund. The cost of the assets is \$171,568,775 and the accumulated depreciation is \$39,101,168 (See Note 5).					132,467,607
Certain Liabilities are not due and payable in the current period, and therefore are not reported in the funds. Accrued Pension is a current liability that will be paid from general fund attributed to the fiscal year ended June 30, 2019					2,381,091
Long-Term Liabilities - Compensated Absences payable are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Note 6).					(1,532,321)
Net Pension Liability is a Long-Term liability and is not due and payable in the current period and therefore is not reported as a liability in the funds (See Note 6)					(22,610,585)
Net Position of Governmental Activities (A-1)					\$ 114,092,612

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

B-2

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$ 12,164,664	\$	\$	\$	\$ 12,164,664
Tuition Charges	61,439				61,439
Miscellaneous	541,687				541,687
Other Local Sources		293,202	1,194,000		1,487,202
Total - Local Sources	<u>12,767,790</u>	<u>293,202</u>	<u>1,194,000</u>		<u>14,254,992</u>
State Sources	87,651,986	10,180,868			97,832,854
Federal Sources	128,819	4,598,060			4,726,879
Total Revenues	<u>100,548,595</u>	<u>15,072,130</u>	<u>1,194,000</u>		<u>116,814,725</u>
EXPENDITURES					
Current:					
Regular Instruction	24,408,532	4,073,088			28,481,620
Special Education Instruction	8,041,697				8,041,697
Other Special Instruction	2,239,701				2,239,701
Other Instruction	790,619				790,619
Support Services and Undistributed Costs:					
Tuition	6,237,658				6,237,658
Student and Instruction Related Services	9,457,702	9,396,082			18,853,784
School Administrative Services	5,072,635				5,072,635
Other Administrative Services	4,310,024				4,310,024
Plant Operations and Maintenance	7,960,233				7,960,233
Pupil Transportation	3,206,922				3,206,922
Employee Benefits	28,018,615				28,018,615
Debt Service:					
Interest				23,044	23,044
Special Schools	87,305				87,305
Transfer to Charter School	3,180,883				3,180,883
Capital Outlay	2,929,082	33,770	629,041		3,591,893
Total Expenditures	<u>103,941,608</u>	<u>13,502,940</u>	<u>629,041</u>	<u>23,044</u>	<u>118,096,633</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(3,393,013)</u>	<u>1,569,190</u>	<u>564,959</u>	<u>(23,044)</u>	<u>(1,281,908)</u>
OTHER FINANCING SOURCES (USES)					
Transfer - Contribution to School-Based Budget	1,584,831	(1,584,831)			
Total Other Financing Sources (Uses)	<u>1,584,831</u>	<u>(1,584,831)</u>			
Net Change in Fund Balances	(1,808,182)	(15,641)	564,959	(23,044)	(1,281,908)
Fund Balance - July 1	<u>2,597,922</u>	<u>(479,193)</u>	<u>2,550,000</u>		<u>4,668,729</u>
Fund Balance - June 30	<u>\$ 789,739</u>	<u>\$ (494,834)</u>	<u>\$ 3,114,959</u>	<u>(23,044)</u>	<u>\$ 3,386,821</u>

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

B-3

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (1,281,908)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the period.

	Depreciation Expense	\$ (3,155,084)	
	Capital Outlays	<u>3,180,883</u>	
			25,799

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 exceed the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

42,931

Net pension obligation related to PERS and ERFEC which is attributable to June 30, 2017 not reported in governmental funds; however, it is reported in the statement of activities.

(2,289,754)

Change in Net Position of Governmental Activities

\$ (3,502,932)

PROPRIETARY FUNDS

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2018

B-4

**Business-Type
Activities
Enterprise Fund
Food
Service**

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 34,330
Intergovernmental Accounts Receivable:	
State	7,393
Federal	527,435
Inventories	35,293
Total Current Assets	<u>604,451</u>

Noncurrent Assets:

Furniture, Machinery and Equipment	672,004
Less: Accumulated Depreciation	<u>656,921</u>
Total Noncurrent Assets	<u>15,083</u>

Total Assets	<u>\$ 619,534</u>
--------------	-------------------

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 543,164
Total Liabilities	<u>543,164</u>

NET POSITION

Investment in Capital Assets	15,083
Unrestricted	<u>61,287</u>
Total Net Position	<u>\$ 76,370</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

B-5

	Business-Type Activities <u>Enterprise Fund</u> Food <u>Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Nonreimbursable Programs	\$ 99,993
Special Functions	45,542
Total Operating Revenues	<u>145,535</u>
OPERATING EXPENSES:	
Cost of Sales - Reimbursable Programs	1,079,120
Cost of Sales - Nonreimbursable Programs	50,078
Salaries	990,259
Employee Benefits	236,370
Insurance	86,097
General Supplies	676,900
Management Fee	40,700
Administration Fee	83,000
Purchased Property Services	132,667
Depreciation	18,287
Total Operating Expenses	<u>3,393,478</u>
NONOPERATING REVENUE (Expenses)	<u>(3,247,943)</u>
State Sources:	
State School Lunch Program	42,181
Federal Sources:	
National School Breakfast Program	669,022
National School Lunch Program	1,809,044
National School Lunch Program (HHFKA)	65,137
School Snack Program	43,028
U.S.D.A. Commodities Program	283,501
Fruits and Vegetables Program	58,605
Child and Adult Food Program	175,102
Total Nonoperating Revenues	<u>3,145,620</u>
Change in Net Position	(102,323)
Total Net Position - Beginning	<u>178,693</u>
Total Net Position - Ending	<u>\$ 76,370</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

B-6

**Business-Type
Activities
Enterprise Fund
Food
Service**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Customers	\$ 145,535
Payments to Suppliers	(3,439,539)
Payments for Management Fee and Administrative Fee	(123,700)
Net Cash Used for Operating Activities	<u>(3,417,704)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State Sources	37,594
Federal Sources	2,795,677
Net Cash Provided by Noncapital Financing Activities	<u>2,833,271</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(584,433)
Balances - Beginning of Year	<u>618,763</u>
Balances - End of Year	<u>\$ 34,330</u>

Reconciliation of Operating Income (Loss) to Net Cash

Provided (Used) by Operating Activities:

Operating Loss	\$ (3,247,943)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (Used for) Operating Activities:	
Depreciation and Net Amortization:	
Increase in Depreciation	18,287
(Increase)/Decrease in Inventory	(22,989)
Increase/(Decrease) in Accounts Payable	(165,059)
Total Adjustments	<u>(169,761)</u>
Net Cash Used for Operating Activities	<u>\$ (3,417,704)</u>

FIDUCIARY FUNDS

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

B-7

	Trust			Agency Fund		
	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Total	Student Activities Fund	Payroll Agency Fund	Total
ASSETS:						
Cash and Cash Equivalents	\$ 458,355	\$ 162,086	\$ 620,441	\$ 119,373	\$ 3,594,401	\$ 3,713,774
Intergovernmental Accounts Receivable: Local					718	718
Total Assets	<u>\$ 458,355</u>	<u>\$ 162,086</u>	<u>\$ 620,441</u>	<u>\$ 119,373</u>	<u>\$ 3,595,119</u>	<u>\$ 3,714,492</u>
LIABILITIES:						
Accounts Payable	\$ 20,873	\$	\$ 20,873	\$	\$	\$
Payable to Student Groups				119,373		119,373
Payroll Deductions and Withholdings					3,595,119	3,595,119
Total Liabilities	<u>\$ 20,873</u>	<u>\$ -</u>	<u>\$ 20,873</u>	<u>\$ 119,373</u>	<u>\$ 3,595,119</u>	<u>\$ 3,714,492</u>
NET POSITION:						
Held in Trust for Unemployment Claims and Other Purposes	\$ 437,482	\$	\$ 437,482			
Reserved for Scholarships		162,086	162,086			
Total Net Position	<u>\$ 437,482</u>	<u>\$ 162,086</u>	<u>\$ 599,568</u>			

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

B-8

	Trust		Total
	Unemployment Compensation Trust	Private Purpose Scholarship Fund	
ADDITIONS:			
Contributions:			
Plan Member	\$ 114,990	\$	\$ 114,990
Board Contribution	100,000		100,000
Scholarship Donations		4,072	4,072
Total Contributions	<u>214,990</u>	<u>4,072</u>	<u>219,062</u>
DEDUCTIONS:			
Unemployment Claims	216,382		216,382
Scholarships Awarded		4,100	4,100
Total Deductions	<u>216,382</u>	<u>4,100</u>	<u>220,482</u>
Change in Net Position	(1,392)	(28)	(1,420)
Net Position - Beginning of the Year	<u>438,874</u>	<u>162,114</u>	<u>600,988</u>
Net Position - End of the Year	<u>\$ 437,482</u>	<u>\$ 162,086</u>	<u>\$ 599,568</u>

NOTES TO THE FINANCIAL STATEMENTS

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018**

1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

As of November 2017, the voters of the City of Orange Township School District (the "District") located in the County of Essex, State of New Jersey approved the change from a Type I to a Type II District. As a Type II District, the District functions independently through a Board of Education (the "Board"). The Board is comprised of nine (9) members elected to three-year staggered terms. The purpose of the District is to educate students in grades K-12. The District had an approximate enrollment at June 30, 2018 of 5,108 students.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

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

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

Based on the aforementioned criteria, the District has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles 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 most significant of the District's accounting policies are described below.

A. Basis of Presentation

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

1. Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

A. ***Basis of Presentation (Continued)***

1. ***Government-Wide Financial Statements (Continued)***

The statement of net position presents the financial condition of the governmental activities of the District at year-end. For the most part, the effect of interfund activity has been removed from these statements. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. 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. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District. The financial statements have been prepared in conformity with GAAP and GASB.

2. ***Fund Financial Statements***

During the year, District segregates transactions related to certain 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 District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

B. ***Fund Accounting***

The 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.

1. ***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 District's major governmental funds:

General Fund - The General Fund is the General Operating Fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles in the United States of America (GAAP) as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

1. Governmental Funds (Continued)

General Fund (Continued)

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that 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 the accumulation of resources for, and payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs

2. Proprietary Fund Type

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Fund of the District:

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

The District's Enterprise Fund is comprised of the Food Service Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

2. Proprietary Fund Type (Continued)

Enterprise Fund (Continued)

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 contributed capital and retained earnings, if applicable. Proprietary Fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

Depreciation of all exhaustive capital 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 in the operation of the Enterprise Funds are approximately 10 years.

3. Fiduciary Funds

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The Funds are reported on the accrual basis of accounting.

Private Purpose Scholarship Funds

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types using the measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Expendable Trust Fund includes the Unemployment Compensation Insurance Fund and Scholarship Funds.

Unemployment Insurance Trust - The SUI Fund is an employee benefit trust fund which accounts for resources held and administered while acting in a fiduciary capacity for individuals or other government agencies. Assets are held in trust for members of the defined contribution plan.

Agency Funds - Agency Funds are used to account for the assets that the District holds on behalf of others as their agent. These funds are custodial in nature and do not involve measurement of results of operations. Agency Funds include payroll and student activities funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

4. Long-Term Debt

Long-term liabilities expected to be financed from Governmental Funds are accounted for in the government-wide statements, not in the governmental funds. This includes serial bonds outstanding that are expected to be financed from Governmental Funds, the outstanding principal balance on capital leases, lease-purchase agreements, compensated absences and the outstanding principal on outstanding bonds. When the District became a Type II District, all serial bonds are now issued by District

C. Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared and conform with accounting principles generally accepted in the United States applicable to state and local governmental units as well as using the economic resources measurement focus. All assets, plus deferred outflows of resources and liabilities plus deferred inflows of resources associated with the operation of the School District are included on the Statement of Net Position.

2. 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 reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

All Proprietary Funds are accounted for on a flow of economic resources measurement focus. With this measurement, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Fiduciary Funds are reported using the economic resources measurement focus.

D. Basis of Accounting

The accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, Trust Funds and Agency Funds. Under the accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Ad Valorem (Property) Taxes are susceptible to accrual and 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 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 District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the winter of each year for the general, special revenue and debt service funds. In accordance with P. L. 2011, c.202, which became effective January 17, 2012, the district elected to move the annual School Board election to the November general election thereby eliminating the vote on the annual base budget. The budgets are approved by the District, submitted to the County Office for review and approval and if determined to be within the tax levy cap and within the allowable appropriation cap, become effective upon holding of a public hearing and final adoption by the District. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitations of N.J.A.C. 6A:23A-2.3 (et seq.).

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

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

The over-expenditures related to on-behalf payments in the General Fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

The following presents a reconciliation of the General Fund Revenue and Special Revenue Fund Revenue from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets/Budgetary Control (Continued)

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules.	\$ 100,661,592	\$ 15,035,493
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized.		52,278
State aid payment recognized per GAAP standards in the current year previously recognized for budgetary purposes.	7,369,030	1,030,359
The last State aid payment is recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).	<u>(7,482,027)</u>	<u>(1,046,000)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 100,548,595</u>	<u>\$ 15,072,130</u>
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	\$ 103,941,608	\$ 15,035,493
Difference - Budget to GAAP:		
The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the not modified accrual basis.		305,111
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(252,833)
Transfer to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund.		<u>(1,584,831)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 103,941,608</u>	<u>\$ 13,502,940</u>

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Encumbrances

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances, are reflected in the balance sheet as deferred outflow of resources 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.

G. Assets, Liabilities and Equity

1. Cash, Cash Equivalents and Investments

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under 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.

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

2. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the Enterprise Fund, are recorded as an expenditure during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

3. Allowance for Uncollectible Accounts

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

4. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

5. Tuition Payable

Tuition charges for the fiscal years 2016-17 and 2017-18 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

6. 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 District and that are due within one year.

7. Capital Assets

General capital assets 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of \$2,000.00. Improvements are capitalized; the costs 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 for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Lives</u>
School Buildings	50 years
Building Improvements	20 years
Vehicles	6 - 8 years
Furniture and Equipment	5 - 15 years
Food Service Equipment	7 - 20 years

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

8. 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time.

9. 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 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 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 sick leave and vacation leave liabilities are reported on the government-wide financial statements.

For Governmental Fund financial statements, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

10. Accrued Liabilities and Noncurrent Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, 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 governmental funds. However, the noncurrent portion of capital leases, compensated absences and loans payable 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.

11. Net Position

The District has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement defines net position as the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

11. Net Position (Continued)

The District has implemented GASB No. 65, *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

12. Unearned Revenue

Unearned revenue in all funds represents cash that has been received but not yet earned. Unearned revenue in the Special Revenue Fund represents funds collected for future programs.

13. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five (5) categories, as defined below:

- a. Nonspendable - Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, noncurrent receivables and corpus of any permanent funds.
- b. Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

13. Fund Balances (Continued)

- c. Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revised or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- d. Assigned - amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Interest is expressed by the Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- e. Unassigned - includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a position unassigned fund balance amount. In the 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 both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

14. Proprietary Funds Revenues and Expenses

Proprietary Funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenues of the School District Enterprise Fund, (the Food Service) are charges to customers for sales of food service. Operating expenses for Enterprise Funds include the cost of sales, services, administrative expense and depreciation on Capital Assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

15. Rebatable Arbitrage

Rebatable arbitrage results from investing the proceeds of borrowed funds either directly or indirectly into investments that are higher in yield than the bond yield incurred on the borrowed funds. In accordance with GASB 34, rebatable arbitrage is treated like a claim or judgment. All interest income is reported as revenue of the Capital Projects Fund. The liability, if any, is recorded in the "Statement of Net Position".

16. Non-Monetary Transactions

Commodities received under the Federal Food Distribution Program are received by the District and are recorded as nonoperating revenue when received in the Food Service Enterprise Fund at market value. The use of the commodities is included in cost of sales.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

17. On-Behalf Payments

Revenues and expenditures of the general fund include payments made by the State of New Jersey social security and post-retirement medical pension contributions for the certified teachers and other members of the New Jersey Teachers' Pension and Annuity Fund. The amounts are not required to be included in the District's annual budget.

18. Allocation of Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Employee benefits, including the employer's share of social security, worker's compensation and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is reported separately on the Statement of Activities. No expenses were allocated as "Indirect Expenses".

19. Accounting and Financial Reporting for Pensions

In fiscal year 2015, the district implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment to GASB No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Assets, Liabilities and Equity (Continued)

20. Accounting and Financial Reporting for Other Post-Retirement Benefits ("OPEB")

In 2018 the District implemented GASB # 75 which addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, revenues and expense/expenditures. This Statement GASB # 45 supersedes Accounting and Financial Reporting for Post-Employment Benefits with other than Pension.

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, a an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements

21. Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

22. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

H. Other Accounting Standards

The District is currently reviewing the following for applicability and potential impact on the financial statement:

- GASB Statement No. 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. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The District does not expect this Statement to impact its financial statements.

- GASB Statement No. 84. *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify component units and postemployment benefit arrangements that are fiduciary activities.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The District does not expect this Statement to impact its financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Accounting Standards (Continued)

- *GASB Statement No. 87. Leases.* The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged

- *GASB Statement No. 88. Certain Disclosure Related to Debt, including Direct Borrowings and Direct Placements.* The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The District does not expect this Statement to impact its financial statements.

- *GASB Statement No. 89. Accounting for Interest Cost Incurred before the End of a Construction Period.* The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encourage. The requirements of this Statement should be applied prospectively. The District does not expect this Statement to impact its financial statements.

- *GASB Statement No. 90. Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61.* The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis. The District does not expect this Statement to impact its financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Subsequent Events

Management has reviewed and evaluated all events and transactions from June 30, 2018 through February 25, 2019, the date that the financial statements are issued for possible disclosure and recognition in the financial statements, and one item had come to the attention of the District that would require disclosure.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents includes petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments. The District is in compliance with GASB Statement No. 3 as amended by GASB Statement No. 40.

A. Deposits

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey Statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

As of June 30, 2018, cash and cash equivalents (Deposits) of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>
Reconciliation by Fund:	
Governmental Fund	\$4,279,054
Proprietary Fund	34,330
Fiduciary Fund	<u>4,334,215</u>
	<u>\$8,647,599</u>
Allocation of Cash and Cash Equivalents:	
Unrestricted	\$1,770,825
Restricted	<u>6,876,774</u>
	<u>\$8,647,599</u>

Risk Analysis - All of the balances were covered by either federal depository insurance or Governmental Unit Deposit Protection Act ("GUDPA") as of June 30, 2018 and are considered to have minimal custodial risk.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

New Jersey Statutes permit the District to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the school district or local unit of which the school district is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.
- Local government investment pools.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

The District had no securities as of June 30, 2018 that would be considered investments as defined by GASB No. 3 as amended by GASB No. 40.

4. INTERGOVERNMENTAL ACCOUNTS RECEIVABLE

Intergovernmental Accounts Receivable at June 30, 2018 consisted of Federal source, State source, and other revenue. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund Financial Statements</u>	<u>Business- Type Activities</u>
General Fund:		
Local Aid:		
Tuition	\$ 12,459	
District Taxes	<u>61,891</u>	
	<u>\$ 74,350</u>	
State Aid:		
Extraordinary Aid	\$ 513,839	
TPAF FICA Reimbursement	<u>139,786</u>	
	<u>\$ 653,625</u>	
Special Revenue Fund:		
Local Source	<u>\$ 61,394</u>	
State Source	<u>\$ 2,888</u>	
Federal Source	<u>\$ 1,272,627</u>	
Capital Projects Fund:		
Local Source	<u>\$ 1,145,070</u>	
Proprietary Fund:		
Enterprise Fund:		
State Source		<u>\$ 7,393</u>
Federal Source		<u>\$ 527,435</u>

5. CAPITAL ASSETS

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

	Balance June 30, 2017	Additions	Retirements	Balance June 30, 2018
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 1,511,880	\$	\$	\$ 1,511,880
Construction-in-Progress		1,809,259		1,809,259
	<u>1,511,880</u>	<u>1,511,880</u>		<u>3,321,139</u>
Capital Assets Being Depreciated:				
Site Improvements and Buildings	160,864,762			160,864,762
Machinery and Equipment	6,753,833	629,041		7,382,874
Total Historical Cost	<u>167,618,595</u>	<u>629,041</u>		<u>168,247,636</u>
Less: Accumulated Depreciation for Site Improvements and Buildings	(33,383,573)	(2,940,671)		(36,324,244)
Machinery and Equipment	(2,562,511)	(214,413)		(2,776,924)
Total Accumulated Depreciation	<u>(35,946,084)</u>	<u>(3,155,084)</u>		<u>(39,101,168)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>131,672,511</u>	<u>(2,526,043)</u>		<u>129,146,468</u>
Governmental Activities Capital Assets, Net	<u>\$ 133,184,391</u>	<u>\$ (2,526,043)</u>	<u>\$ -</u>	<u>\$ 132,467,607</u>
<u>Business-Type Activities</u>				
Machinery and Equipment	\$ 672,004			\$ 672,004
Less: Accumulated Depreciation for Machinery and Equipment	(638,634)	(18,287)		(656,921)
Business-Type Activities Capital Assets, Net	<u>\$ 33,370</u>	<u>\$ (18,287)</u>	<u>\$ -</u>	<u>\$ 15,083</u>
Detail of Additions:				
Governmental Activities:				
General Fund		\$ 2,929,082		
Special Revenue Fund		33,770		
Capital Projects Fund		629,041		
		<u>3,591,893</u>		
Less: Rent Expense		(1,153,593)		
		<u>\$ 2,438,300</u>		

5. CAPITAL ASSETS (Continued)

Regular Instruction	\$ 1,262,034
Special Education Instruction	94,653
Support Services and Undistributed Cost:	
Student and Instruction Related Services	315,508
School Administrative Services	220,856
Plant Operations and Maintenance	1,198,932
Pupil Transportation	63,101
	<u>\$ 3,155,084</u>

6. LONG-TERM LIABILITIES AND DEBT

During the fiscal year ended June 30, 2018, the following changes occurred in liabilities:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due One Year</u>	<u>Long-Term Portion</u>
<u>Governmental Activities</u>						
<u>General</u>						
Compensated						
Absences Payable	\$ 1,575,252	\$ 25,354	\$ 68,285	\$ 1,532,321	\$	\$ 1,532,321
Net Pension						
Liability PERS						
and ERFEC	<u>27,361,731</u>	<u>-</u>	<u>4,751,146</u>	<u>22,610,585</u>		<u>22,610,585</u>
	<u>\$ 28,936,983</u>	<u>\$ 25,354</u>	<u>\$ 4,819,431</u>	<u>\$ 24,142,906</u>	<u>\$ -</u>	<u>\$ 24,142,906</u>

Bonds and Notes Payable Currently Outstanding are Summarized as Follows

As of General Education November of 2017, City of Orange Township became a Type II School District. Therefore, there are School Notes Payable outstanding of \$ 3,744,000 that were issued for the School District by the Municipality that are due December 7, 2018.

A. Debt Service Requirements

As of June 30, 2018, there were Notes Payable outstanding that would require an interest payable of \$93,600 in the 2018-2019 School Year.

B. Bonds Authorized but Not Issued

There are no Bonds Authorized but Not Issued as of June 30, 2018.

C. Notes Issued

As of June 30, 2018, there was a Note issued dated December 7, 2018 by the Municipality in the amount of \$3,744,000 for the School District.

6. LONG-TERM LIABILITIES AND DEBT (Continued)

D. Other

The Bonds are general obligations of the Board and are secured by a pledge of the full faith and credit of the Board for the payment of the principal thereof and the interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes to be levied on all taxable real property in the school district, without limitation as to rate or amount. The Bonds are additionally secured by the provisions of the New Jersey School Bond Reserve Act.

The District, in conjunction with the issuance of the Bonds, has agreed to undertake and provide certain information to Bondholders on a continuing basis. The Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5) "Continuing Disclosure" requirements, which the District has adopted, requires that various financial information about the District and the Municipality be provided annually to various information repositories. The requirement effective for the fiscal year ended June 30, 2017 has been complied with.

Bonds are authorized in accordance with State law by the voters of the Municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

7. OPERATING LEASES

The District is leasing several school buildings. The unit prices of all individual items lease purchased are less than the capitalization threshold for fixed assets or do not qualify as capital assets and as a result, are classified as operating leases. The following is a schedule of the future minimum lease payments under the operating leases and the present value of the net minimum lease payments at June 30, 2018:

<u>Year</u>	<u>School Buildings</u>	<u>Total</u>
2017		
2019	\$ 807,606	\$ 807,606
2020	756,515	756,515
2021	756,515	756,515
2022	759,711	759,711
	<u>3,080,347</u>	<u>3,080,347</u>
Future Obligations	<u>14,415,529</u>	<u>14,415,529</u>
Total Net Minimum Present Value Lease Payments	<u>\$ 17,495,876</u>	<u>\$ 17,495,876</u>

8. PENSION PLANS

Description of Plan

All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees' Retirement System and the Teachers' Pension and Annuity Fund.

Teachers' Pension and Annuity Fund (TPAF)

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contribution, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

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

The following represents the membership tiers for TPAF:

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 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

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

Public Employees' Retirement System (PERS)

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

8. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

The following represents the membership tiers for PERS:

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 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

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

Funding Policy - The contribution policy is set by New Jersey Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2011, employee contribution rates for TPAF and PERS increased from 5.5% to 6.5% of employees' annual compensation. An additional increase is to be phased in over the next seven years that will bring the total pension contribution rate to 7.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities total proportionate share of the net pension liability that is associated with the local participating employer.

8. PENSION PLANS (Continued)

Employee Pension Fund of Essex County

The Employee Pension Fund of Essex County was established under N.J.S.A. 18A:66-94 et seq. for board of education employees of first-class counties which has been a closed Pension System since 1980. The law does the following:

- 1) Contributions by the members at 3% the salary contributions from members of the Board of Education Employees' Pension Fund of Essex County.
- 2) Interest charged for loans are 4% to members of the fund, however loans granted are not to exceed 50% of a member's accumulated contributions.
- 3) Allows a member with an outstanding loan from the retirement system upon retirement to repay the balance by deductions from the member's pension not exceeding 20% of each periodic benefit payment.
- 4) Increases the value, for the purpose of calculating most pensions under the fund, of each year of service credited in the fund from one-fiftieth of the average annual compensation received in any three years of creditable service providing the largest possible benefit to one-forty-fifth of such average annual compensation. This change applies to pensions payable upon retirement for service, age or ordinary disability, deferred retirement, and early retirement.

Funding Policy

Three-Year Trend Information for PERS

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Cost to District</u>
June 30, 2018	\$ 931,984	100%	\$ 931,984
June 30, 2017	843,968	100%	843,968
June 30, 2016	1,102,012	100%	1,102,012

**Three-Year Trend Information for TPAF
(Paid On-Behalf of the District)**

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Long-Term Disability Insurance</u>	<u>Post-Retirement Medical Benefits</u>
June 30, 2018	\$ 5,582,517	100%	\$ 14,063	\$ 3,605,629
June 30, 2017	4,171,520	100%	17,360	3,475,826
June 30, 2016	3,058,805	100%		3,642,192

During the fiscal year ended June 30, 2017, the State of New Jersey contributed \$5,582,517 to the TPAF for pension, \$14,063 for long-term disability insurance and \$3,605,629 for post-retirement medical benefits On-Behalf of the District. Also in accordance with N.J.S.A. 18A:66-66, the State of New Jersey reimbursed the District \$2,846,458 during the year ended June 30, 2018 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 24.

8. PENSION PLANS (Continued)

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

Public Employees' Retirement System (PERS)

The information for PERS was abstracted from State of New Jersey Public Employees' Retirement System Schedules of Employer Allocations and Schedules of Pension Amounts by Employer as of June 30, 2017 and June 30, 2016 Independent Auditor's Report dated April 27, 2018 and April 6, 2017, respectively.

At June 30, 2018, the District reported a liability of \$22,162,965 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 (the *Measurement Date*), and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined.

	June 30,	
	<u>2017</u>	<u>2016</u>
District Proportionate Share	0.095208277%	0.091109975%
Difference - Increase/(Decrease)	0.004098302%	

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

Public Employees' Retirement System (PERS)

For the year ended June 30, 2018, the District recognized pension income of \$6,254,391. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Change in Assumption Difference Between Expected and Actual Experience	\$ 4,465,074	\$ 4,448,704
Changes in Proportion	521,861	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,676,033	
District Contributions Subsequent to the Measurement Date	150,915	
	<u>882,083</u>	
Total	<u>\$ 7,695,966</u>	<u>\$ 4,448,704</u>
<u>Analysis of Deferred Outflow of Resources</u>		
PERS	\$ 7,695,966	
Employee Pension Fund of Essex County	71,712	
	<u>\$ 7,767,678</u>	

8. PENSION PLANS (Continued)

The 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 pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Amount</u>
2018	\$ 521,737.69
2019	787,314.82
2020	477,072.53
2021	(634,507.69)
2022	(462,471.40)

Additional Information:

Collective balances are as follows:

	<u>June 30, 2017</u>	<u>June 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	870,131,595
Collective Net Pension Liability	23,278,401,588	29,617,131,759
Collective Total Pension Expenses	1,694,305,613	2,830,763,540

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 rolled forward to June 30, 2017. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	2.25 Percent
Salary Increases:	
Through 2026	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.00 Percent

Mortality Rates

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. 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 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

8. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 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 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	5.00 %	5.51 %
Cash Equivalents	5.50	1.00
U.S. Treasuries	3.00	1.87
Investment Grade Credit	10.00	3.78
Public High Yield	2.50	6.82
Global Diversified Credit	5.00	7.10
Credit Oriented Hedge Funds	1.00	6.60
Debt Related Private Equity	2.00	10.63
Debt Related Real Estate	1.00	6.61
Private Real Asset	2.50	11.83
Equity Related Real Estate	6.25	9.23
U.S. Equity	30.00	8.19
Non-U.S. Developed Markets Equity	11.50	9.00
Emerging Market Equities	6.50	11.64
Buyouts/Venture Capital	8.25	13.08
	<u>100.00 %</u>	

Discount Rate

The discount rate used to measure the 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 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.

8. **PENSION PLANS (Continued)**

Public Employees' Retirement System (PERS) (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2017 [*measurement dates*] respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	1% Decrease <u>4.00%</u>	June 30, 2017 At Current Discount Rate <u>5.00%</u>	1% Increase <u>6.00%</u>
District's Proportionate Share of the Pension Liability	\$ 27,494,662	\$ 22,162,965	\$ 17,721,001

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS) or by visiting their website at www.state.nj.us/treasury/pensions/pers1.

Teachers' Pensions and Annuity Fund (TPAF)

Data for the TPAF was abstracted from the State of New Jersey Teachers' Pension and Annuity Fund Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer as of June 30, 2017 and June 30, 2016 Independent Auditor's Reports dated June 13, 2018 and July 13, 2017, respectively.

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2017 was as follows:

Net Pension Liability:	
State's Proportionate Share Associated with the District	<u>\$ 250,051,681</u>

8. **PENSION PLANS (Continued)**

Teachers' Pensions and Annuity Fund (TPAF) (Continued)

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 net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2017 and June 30, 2016, the proportion of the TPAF net pension liability associated with the District is as follows.

	June 30,	
	<u>2017</u>	<u>2016</u>
District Proportionate Share	0.3708666684%	0.3820455260%
Difference - Increase	-0.0111788576%	

For the year ended June 30, 2017, the District recognized on-behalf pension expense and revenue of \$17,322,314 for contributions provided by the State.

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:	
2012-2021	Varies based on experience
Thereafter	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.

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 table as follows:

8. **PENSION PLANS (Continued)**

Teachers' Pensions and Annuity Fund (TPAF) (Continued)

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

Discount Rate

The discount rate used to measure the 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 will be made based on 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 Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability associated with the District as of June 30, 2018 (measurement date June 30, 2017) calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease <u>3.25%</u>	At Current Discount Rate <u>4.25%</u>	1% Increase <u>5.25%</u>
State's Proportionate Share of the Net Pension Liability Associated with the District	\$298,155,778	\$250,966,250	\$212,091,313

8. PENSION PLANS (Continued)

Teachers' Pensions and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the Local Group are as follows:

	June 30,	
	<u>2017</u>	<u>2016</u>
Deferred Outflows of Resources	\$14,251,854,934	\$17,440,003,201
Deferred Inflows of Resources	11,807,238,433	195,027,919
Net Pension Liability	67,423,605,859	78,666,367,052
Total Expenses - Non-employer	4,682,493,081	5,915,082,656

Employee Pension Fund of Essex County

At June 30, 2018, the District reported a liability of \$447,620 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of the date the District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to projected contribution of all participating school district actuarially determined. As of June 30, 2018, the District's proportionate share was 1.4243377%. The Deferred Outflows of Resources was reported as \$71,712 and required pension income was \$186,147.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

Salary increases	4.50%
Investment rate of return	6.50%, net of pension plan investment Expense, including inflation
Cost-of-living adjustments	2.00%

For active members, inactive members and healthy retirees, mortality rates were based on the RP- 2000 separate annuitant and nonannuitant tables with static projections using Scale AA through the valuation year plus 7 years for annuitants and the valuation year plus 15 years for nonannuitants. For disabled retirees, mortality rates are based on the 1994 Group Annuity Mortality Table, set forward 10 years.

The actuarial assumptions are the same as the assumptions used in the June 30, 2017 funding actuarial valuation.

The long-term expected rate of return on pension plan investments 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 the pension plan's target asset allocation as of June 30, 2017 are summarized in the following table:

8. PENSION PLANS (Continued)

Employee Pension Fund of Essex County (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
U.S. Large Cap Equity	50%	6.71%
U.S. Small Cap Equity	10%	6.71%
U.S. Fixed Income	<u>40%</u>	2.11%
Total	<u>100%</u>	

*Net of 2.0% inflation assumption. Expected rates are presented as arithmetic means.

Discount Rate: The discount rate used to measure the total pension liability was 6.50% as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the actuarially determined amount, including the reimbursement of administrative expenses and COLA payments. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the school districts calculated using the discount rate of 6.50%, as well as what the school districts' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease <u>(5.50%)</u>	Current Discount <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
District's Proportionate Share of the Net Pension Liability	\$ 569,136	\$ 407,078	\$ 265,991

9. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the minimum base salary required for eligibility in the DCRP was increased to \$5,000.00.

9. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

Description of System (Continued)

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law required that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Employees enrolled in the PERS on or after July 1, 2007 who earn salary in excess of established "maximum compensation" limits.
- Employees otherwise eligible to enroll in the PERS on or after November 2, 2008 who do not earn the minimum salary for PERS Tier 3, but who earn salary of at least \$5,000.00.
- Employees otherwise eligible to enroll in the PERS after May 21, 2010, who do not work the minimum number of hours per week required for PERS Tier 4 or Tier 5 enrollment (32 hours per week) but who earn salary of at least \$5,000.00 annually.

Notwithstanding the foregoing requirement, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

10. POST-RETIREMENT BENEFITS ("OPEB")

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and 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 Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis.

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 (statewide) covered by benefit terms. At June 30, 2017 the following employees were covered by the benefit terms:

TPAF Participant Retirees - There were 112,966 retirees receiving post-retirement medical benefits and the State contributed \$1.39 billion on their behalf.

10. POST-RETIREMENT BENEFITS ("OPEB")

PERS Participant Retirees - The State paid \$238.9 million toward Chapter 126 benefits for 20,913 eligible retired members in fiscal year 2017

Three-Year Trend Information for TPAF Medical (Paid On-Behalf of the District)

<u>Fiscal Year Ended June 30.</u>	<u>Post-Retirement Medical</u>
2018	\$ 3,605,629.00
2017	3,475,826.00
2016	3,642,192.00

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 District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. The District is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation. Accordingly, the following OPEB liability note information is derived from reports provided by the State of New Jersey Division of Pension and Benefits and is reported at the board of education level. Note that actual numbers are published in the NJ State's CAFR: (<https://www.nj.gov/treasury/omb/publications/archives.shtml>).

The portion of the PERS and TPAF OPEB Liability that was associated with the District recognized at June 30, 2017 was as follows:

Net OPEB Liability:	
State's Proportionate Share Associated with the District	\$ 147,685,817.00

The proportion of the PERS and TPAF Net OPEB Liability associated with the District's liability is as follows:

<u>2017</u>	<u>2016</u>
0.27532858391%	0.2729507852%

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%	
	<u>TPAF/ABP</u> (Based on Years of Service)	<u>PERS</u> (Based on Age)
Salary Increases:		
Through 2026	1.55 - 4.55%	2.15 - 4.15%
Thereafter	2.00 - 5.45%	3.15 - 5.15%

10. POST-RETIREMENT BENEFITS (“OPEB”) (CONTINUED)

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.

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%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

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

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

The following represents the total nonemployer OPEB liability associated with the District as of June 30, 2017, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2017	
At 1% Decrease <u>(2.58%)</u>	At Discount Rate <u>(3.58%)</u>	At 1% Increase <u>(4.58%)</u>
\$ 175,313,720	\$ 147,685,817	\$ 125,771,102

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Healthcare Trend Rate

The following represents the total nonemployer OPEB associated with the District liability as of June 30, 2017, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2017	
1% Decrease	Healthcare Cost Trend Rate	1% Increase
\$ 121,457,308	\$ 147,685,817	\$ 182,516,969

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2016.

10. POST-RETIREMENT BENEFITS ("OPEB") (CONTINUED)

Shown below are details regarding the Total OPEB Liability for the measurement period from June 30, 2016 to June 30, 2017:

	<u>Total OPEB Liability</u>
Balance as of June 30, 2016 Measurement Date	<u>\$ 157,852,309</u>
Changes Recognized for the Fiscal Year:	
Service Cost	9,098,628
Interest on the Total OPEB Liability	4,711,481
Changes of Assumptions	(20,681,843)
Gross Benefit Payments	(3,420,717)
Contributions from the Member	125,959
Net Changes	<u>(10,166,492)</u>
Balance as of June 30, 2017 Measurement Date	<u>\$ 147,685,817</u>

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.

The components of the Net OPEB Liability associated with the District as of June 30, 2017 are as follows:

	<u>[Measurement Date] June 30, 2017</u>
Total OPEB Liability	\$ 147,685,817
Plan Fiduciary Net Position	None
Net OPEB Liability	\$ 147,685,817
Net Position as a Percentage of OPEB Liability	0.00%
OPEB Expense	\$ 11,859,688

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the board of education recognized OPEB expense of \$11,859,688 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 District proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

The following table illustrates the Deferred Inflows and Outflows as of June 30, 2017 under GASB 75 prior to any reduction due to the Fiscal Year 2018 amortizations.

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Assumption Changes	\$	\$ (17,466,209)
Changes in Proportion	1,086,591	
Sub-Total	<u>1,086,591</u>	<u>(17,466,209)</u>
Contributions Made in Fiscal Year Ending 2018 After June 30, 2017 Measurement Date	<u>N/A</u>	<u>N/A</u>
Total	<u>\$ 1,086,591</u>	<u>\$ (17,466,209)</u>

10. POST-RETIREMENT BENEFITS ("OPEB") (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amount recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB (revenue) expense as follows:

Measurement Period Ending June 30,	
2018	\$ (2,045,224)
2019	(2,045,224)
2020	(2,045,224)
2021	(2,045,224)
2022	(2,045,224)
Total Thereafter	(7,240,092)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the Local Education Group are as follows:

	June 30,	
	<u>2017</u>	2016
Deferred Outflows of Resources	\$ 99,843,255	\$
Deferred Inflows of Resources	(6,443,612,287)	
Net OPEB Liability	53,639,841,858	57,831,784,184
Total Expenses - Non-employer	3,348,490,523	4,450,317,484

Other

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

11. COMPENSATED ABSENCES

The 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.

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

The liability for vested compensated absences of the Governmental Fund types is recorded in the Statement of Net Position. The current portion of the compensated absence balance of the Governmental Funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

11. COMPENSATED ABSENCES (Continued)

The liability for vested compensated absences for proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2018, no liability existed for compensated absences in the proprietary fund types.

12. DEFERRED COMPENSATION

The District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the Great American Plan Administrators, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

13. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

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

Medical Insurance

The district has opted for the traditional monthly per employee premium plan for its health benefits coverage. The cost to the School District is the billed amount less employee required contributions.

14. INTERFUND BALANCES AND TRANSFERS

There were interfund balances on the balance sheet as at June 30, 2018:

	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General Fund:		
Due to Agency Fund	\$ -	\$ 718
Agency Fund:		
Due from General Fund	<u>718</u>	<u>-</u>
	<u>\$ 718</u>	<u>\$ 718</u>

The amount of transfers identified above are considered routine and are inconsistent with activities of the Funds since the amount was a reimbursement for employee reimbursements.

15. CAPITAL RESERVE ACCOUNT

The District did not maintain a Capital Reserve Account as of June 30, 2018.

16. DEFICIT FUND BALANCES

GENERAL FUND

The District has a deficit fund balance of \$5,594,366 in the General Fund as of June 30, 2018 as reported in the fund statements (modified accrual basis). P.L. 2003, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 last state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payments, General Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to P.L. 2003, c. 97 any negative unreserved, undesignated General Fund balance that is reported as a direct result from a delay in the payment 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 District deficit in the GAAP funds statements of \$5,594,366 is less than the last state aid payments.

The District was in compliance with the budget regulations of the State of New Jersey since revenues and expenditures for TPAF are not required to be anticipated and budgeted in the final budget as recorded on the Budgetary Comparison Schedule (C-1).

SPECIAL REVENUE FUND

The District has a deficit fund balance of \$494,834 in the Special Revenue 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, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 last two (2) state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the 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 payment 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 District deficit in the GAAP funds statements of \$494,834 in the Special Revenue Fund is less than last state aid payment in the Special Revenue Fund.

DEBT SERVICE FUND

The District has a deficit fund balance of \$23,044 in the Debt Service Fund as of June 30, 2018 as reported in the fund statements (modified accrual basis). This a result of the General Election in November 2017 whereby the voters approved the School District the changing from a Type I to a Type II which resulted in the School District assuming the interest cost. In the 2018-2019 School District Budget the School District has raised the deficit and provide for the 2018-2019 debt service requirement.

17. FUND BALANCE APPROPRIATED

General Fund - Under the GAAP Basis the District has a General Fund balance in the amount of \$789,739 at June 30, 2018. If the District was able to realize the 19th and 20th state payments, the District would have the following, \$3,004,793 is assigned for other purposes (encumbrances); \$2,600,000 is restricted as excess surplus (from 2017-2018); \$779,312 is restricted - excess surplus a designated for subsequent years expenditures and, \$1,887,661 is unassigned. The District received the 19th and 20th state aid payments in July 2017.

18. CONTINGENT LIABILITIES AND COMMITMENTS

- A. Grant Programs - The school district participates in federally and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.
- B. Litigation - The Board Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Board's insurance carrier or would have a material financial impact on the Board.

19. NET POSITION

Enterprise Fund

Operations of the Food Service Fund resulted in a net loss of \$102,323 in fiscal year 2018. This loss resulted in a decrease to the net position of \$76,370 as of June 30, 2018.

20. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, the designation for Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There was an excess fund balance of \$ 779,312 at June 30, 2018.

21. RECONCILIATION OF FUND BALANCE - GENERAL FUND

The Surpluses are presented on a GAAP Basis and a Reconciliation from the Budget Basis to the GAAP Basis is as follows:

	<u>Unassigned</u>
Balance on a Budget Basis on the General Fund Budgetary Basis Comparison	\$ 8,271,766
Less: Allocation of State Aid Payment Not Recognized on a GAAP Basis	<u>7,482,027</u>
Balances on a GAAP Basis on the Governmental Fund Balance Sheet	<u>\$ 789,739</u>

22. ECONOMIC DEPENDENCY

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

23. 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. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provision 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 City of Orange Township has one long-term tax exemption, 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 latest user friendly budget indicates that there were no property abatements. For the prior year, the property was assessed at \$717,100.00 with the amount of taxes being \$34,277.38.

24. SUBSEQUENT EVENT

On October 11, 2018, the School District of the City of Orange Township held a Bond Sale (Series 2018) of \$3,744,000 for the authorized debt with principal payment each September 1 starting in 2020 and interest payments ever February 15 and August 15 each year beginning September 1, 2019.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. BUDGETARY COMPARISON SCHEDULES

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE 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:					
Local Tax Levy	\$ 12,164,664	\$	\$ 12,164,664	\$ 12,164,664	\$
Tuition	140,000		140,000	61,439	(78,561)
Miscellaneous	170,000		170,000	541,887	371,887
Total - Local Sources	<u>12,474,664</u>		<u>12,474,664</u>	<u>12,767,990</u>	<u>293,326</u>
State Sources:					
Extraordinary Aid	432,340		432,340	513,839	81,499
Consolidated Aid	7,152,931		7,152,931	7,152,931	
Categorical Special Education	2,919,794		2,919,794	2,919,794	
Equalization Aid	61,067,087	1,177,789	62,244,876	62,244,876	
Categorical Security Aid	1,858,563		1,858,563	1,858,563	
Categorical Transportation Aid	568,151		568,151	568,151	
Under Adequacy Aid	265,589		265,589	265,589	
PARCC Readiness Aid	49,800		49,800	49,800	
Per Pupil Growth Aid	49,800		49,800	49,800	
Professional Learning Community Aid	52,570		52,570	52,570	
Host District Support Aid	40,403		40,403	40,403	
TPAF Pension (On-Behalf - Nonbudgeted)				5,582,517	5,582,517
TPAF Medical (On-Behalf - Nonbudgeted)				3,605,629	3,605,629
TPAF Long-Term Disability Insurance (On-Behalf - Nonbudgeted)				14,063	14,063
TPAF Social Security (Reimbursed - Nonbudgeted)				2,846,458	2,846,458
Total State Sources	<u>74,457,028</u>	<u>1,177,789</u>	<u>75,634,817</u>	<u>87,764,983</u>	<u>12,130,166</u>
Federal Sources:					
Medical Assistance Program	145,436		145,436	128,819	(16,617)
Total - Federal Sources	<u>145,436</u>		<u>145,436</u>	<u>128,819</u>	<u>(16,617)</u>
Total Revenues	<u>87,077,128</u>	<u>1,177,789</u>	<u>88,254,917</u>	<u>100,661,592</u>	<u>12,406,675</u>
EXPENDITURES					
Current Expense:					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	469,000	(152,592)	316,408	316,408	
Kindergarten - Salaries of Teachers	1,356,899	(13,883)	1,343,016	1,337,893	5,123
Grades 1-5 - Salaries of Teachers	7,910,832	(61,604)	7,849,228	7,845,721	3,507
Grades 6-8 - Salaries of Teachers	5,738,391	(49,939)	5,688,452	5,684,295	4,157
Grades 9-12 - Salaries of Teachers	5,888,991	(464,818)	5,424,172	5,367,518	56,654
Regular Programs - Home Instruction:					
Salaries of Teachers	50,000		50,000	47,533	2,467
Purchased Professional-Educational Services	100,000	17,894	117,894	37,828	80,066
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	539,370	(15,565)	523,805	520,877	2,928
Purchased Professional-Educational Services	1,286,032	768,184	2,054,216	1,618,034	436,182
Purchased Technical Services	193,039	140,383	333,422	205,665	127,757
Other Purchased Services (400-500 Series)	94,816	16,372	111,188	74,841	36,347
General Supplies	1,147,124	26,111	1,173,235	1,047,206	126,029
Textbooks	339,936	(72,368)	267,568	260,966	6,602
Other Objects	51,855	8,960	60,815	43,747	17,068
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>25,166,285</u>	<u>147,134</u>	<u>25,313,419</u>	<u>24,408,532</u>	<u>904,887</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	745,252	(12,806)	732,446	730,046	2,400
Other Salaries for Instruction	259,850	(3,286)	256,564	252,142	4,422
Purchased Professional-Educational Services	1,000		1,000	370	630
Other Purchased Services (400-500 Series)	8,200		6,200	5,156	1,044
General Supplies	27,945	(1,406)	26,539	24,471	2,068
Textbooks	10,900	(3,000)	7,900	5,723	2,177
Other Objects	4,500		4,500	3,697	803
Total Learning and/or Language Disabilities	<u>1,055,647</u>	<u>(20,498)</u>	<u>1,035,149</u>	<u>1,021,605</u>	<u>13,544</u>
Behavioral Disabilities:					
Salaries of Teachers	60,132	(3,938)	56,194	55,545	649
Other Salaries for Instruction	27,936	590	28,526	27,343	1,183
Other Purchased Services (400-500 Series)	2,000		2,000	2,000	
General Supplies	10,500		10,500	10,395	105
Total Behavioral Disabilities	<u>107,068</u>	<u>(3,348)</u>	<u>103,720</u>	<u>100,062</u>	<u>3,658</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
Multiple Disabilities:					
Salaries of Teachers	\$ 520,233	\$ (12,096)	\$ 508,137	\$ 504,900	\$ 3,237
Other Salaries for Instruction	391,689	4,958	396,647	393,791	2,856
Purchased Professional-Educational Services					
Purchased Technical Services	5,000		5,000	5,000	
Other Purchased Services (400-500 Series)	5,000	120	5,120	3,956	1,164
General Supplies	22,552		22,552	20,212	2,340
Textbooks	4,000		4,000	2,440	1,560
Other Objects	365		365	365	
Total Multiple Disabilities	<u>948,839</u>	<u>(7,018)</u>	<u>941,821</u>	<u>930,664</u>	<u>11,157</u>
Resource Room/Resource Center:					
Salaries of Teachers	2,905,862	(41,469)	2,864,393	2,856,410	7,983
Other Salaries for Instruction	379,442	28,329	407,771	407,491	280
Purchased Professional-Educational Services	7,250	49,026	56,276	4,517	51,759
Purchased Technical Services	3,000		3,000	3,000	
Other Purchased Services (400-500 Series)	11,000		11,000	10,961	39
General Supplies	51,199	(8,758)	42,441	39,544	2,897
Textbooks	8,500	(3,500)	5,000	4,965	35
Other Objects	6,000		6,000	6,000	
Total Resource Room/Resource Center	<u>3,372,253</u>	<u>23,628</u>	<u>3,395,881</u>	<u>3,332,888</u>	<u>62,993</u>
Autism:					
Salaries of Teachers	389,738	(32,740)	356,998	356,921	77
Other Salaries for Instruction	253,752	22,680	276,432	276,152	280
Other Purchased Services (400-500 Series)	2,000		2,000	2,000	
General Supplies	10,480	(1,334)	9,146	7,726	1,420
Total Autism	<u>657,470</u>	<u>(11,394)</u>	<u>646,076</u>	<u>643,547</u>	<u>2,529</u>
Preschool Disabilities - Full-Time:					
Purchased Technical Services	2,500		2,500	2,500	
Other Purchased Services (400-500 series)	9,250	270	9,520	9,365	155
Other Objects	1,066		1,066	1,066	
Total Preschool Disabilities - Full-Time	<u>12,816</u>	<u>270</u>	<u>13,086</u>	<u>12,931</u>	<u>155</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>6,154,093</u>	<u>(18,360)</u>	<u>6,135,733</u>	<u>6,041,697</u>	<u>94,036</u>
Bilingual Education - Instruction:					
Salaries of Teachers	2,090,733	(11,419)	2,079,314	2,069,458	9,856
Other Salaries for Instruction	123,695	1,347	125,042	119,455	5,587
Purchased Professional-Educational Services	1,200		1,200	122	1,078
Other Purchased Services (400-500 Series)	10,700	(4,200)	6,500	6,474	26
General Supplies	44,589	(8,336)	36,253	33,264	2,989
Textbooks	14,200	(11,000)	3,200	3,200	
Total Bilingual Education - Instruction	<u>2,294,345</u>	<u>(33,608)</u>	<u>2,260,737</u>	<u>2,239,701</u>	<u>21,036</u>
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	204,239	15,821	220,060	205,475	14,585
Purchased Services (300-500 Series)	40,322	(18,009)	22,313	20,663	1,650
Supplies and Materials	120,000	13,088	133,088	119,734	13,354
Total School-Sponsored Cocurricular Activities - Instruction	<u>364,561</u>	<u>11,351</u>	<u>375,912</u>	<u>346,148</u>	<u>29,764</u>
School-Sponsored Athletics - Instruction:					
Salaries	161,800		161,800	157,867	3,933
Other Purchased Services	6,160	(122)	6,038	6,038	
Supplies and Materials	206,137	34,142	240,279	219,452	20,827
Other Objects	35,618	(22,703)	12,915	6,022	6,893
Total School-Sponsored Athletics - Instruction	<u>409,715</u>	<u>11,317</u>	<u>421,032</u>	<u>389,379</u>	<u>31,653</u>
Community Service Programs - Operations:					
Purchased Services (300-500 Series)	32,500	15,644	48,144	7,966	40,178
Supplies and Materials	45,300	5,770	51,070	47,126	3,944
Total Community Service Programs - Operations	<u>77,800</u>	<u>21,414</u>	<u>99,214</u>	<u>55,092</u>	<u>44,122</u>
Total Instruction	<u>34,466,799</u>	<u>139,248</u>	<u>34,606,047</u>	<u>33,480,549</u>	<u>1,125,498</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within the State - Regular	\$ 700,000	\$ (311,331)	\$ 388,669	\$ 388,668	\$ 1
Tuition to County Vocational School - Regular	949,778	19,201	968,979	949,360	19,819
Tuition to County Vocational School - Special	36,425	344,613	381,038	282,811	98,227
Tuition to CSSD and Regional Day Schools	600,000	(600,000)			
Tuition to Private Schools for the Handicapped - Within State	4,293,896	408,897	4,702,793	4,594,266	108,527
Tuition - State Facilities	22,553		22,553	22,553	
Total Undistributed Expenditures - Instruction	6,602,652	(138,620)	6,464,032	6,237,658	226,374
Undistributed Expenditures - Attendants and Social Work:					
Salaries	364,370	(31,467)	332,903	332,510	393
Salaries of Family Liaisons/Community Parent Involvement Specialists	176,444		176,444	176,242	202
Supplies and Materials	7,199	72	7,271	4,673	2,598
Total Undistributed Expenditures - Attendants and Social Work	548,013	(31,395)	516,618	513,425	3,193
Undistributed Expenditures - Health Services:					
Salaries	816,986	(7,653)	809,343	806,220	3,123
Purchased Professional and Technical Services	3,350		3,350	2,392	958
Supplies and Materials	28,710	(1,668)	27,042	22,806	4,236
Other Objects	165		165	165	
Total Undistributed Expenditures - Health Services	849,221	(9,321)	839,900	831,583	8,317
Undist. Expend. - Other Supp. Serv. Students - Related Serv.:					
Salaries of Other Professional Staff	738,986		738,986	738,076	910
Purchased Professional-Educational Services	26,000	17,000	43,000	41,413	1,587
Supplies and Materials	15,882	227	16,109	15,935	174
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	780,868	17,227	798,095	795,424	2,671
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	50,467	300	50,767	50,712	55
Other Purchased Professional and Technical Services	200		200		200
Other Purchased Services (400-500 Series)		300	300	300	
Supplies and Materials	28,477	2,700	31,177	24,239	6,938
Total Undistributed Expend. - Guidance	79,144	3,300	82,444	75,251	7,193
Undist. Expend. - Other Supp. Serv. Students - Special Services:					
Salaries of Other Professional Staff	2,280,958	13,483	2,294,441	2,293,656	785
Salaries of Secretarial and Clerical Assistants	180,410	(3,000)	177,410	177,410	
Other Salaries	85,000	(51,415)	33,585	33,584	1
Other Purchased Services (400-500 Series Other than Residual Costs)	475,370		475,370	322,499	152,871
Supplies and Materials	55,049		55,049	47,177	7,872
Total Undist. Expend. - Other Supp. Serv. Students - Special Services	3,076,787	(40,932)	3,035,855	2,874,326	161,529
Undistributed Expenditures - Improvement of Inst. Serv.:					
Salaries of Supervisor of Instruction	2,195,839	(265,349)	1,930,490	1,930,324	166
Salaries of Other Professional Staff	257,043	(1,228)	255,815	255,785	30
Salaries of Secretarial and Clerical Assistants	212,151		212,151	211,785	366
Purchased Professional-Educational Services	14,300		14,300	13,486	814
Other Purchased Professional and Technical Services	2,500		2,500	1,900	600
Other Purchased Services (400-500 Series)	4,500	1,250	5,750	5,514	236
Supplies and Materials	239,986	(19,833)	220,133	200,448	19,685
Other Objects	13,000		13,000	12,956	44
Total Undistributed Expenditures - Improvement of Inst. Serv.	2,939,299	(285,160)	2,654,139	2,632,198	21,941
Undistributed Expenditures - Edu. Media Serv./Sch. Library:					
Salaries	512,029	(25,900)	486,129	484,075	2,054
Salaries of Technology Coordinators	792,738	(10,187)	782,551	782,446	105
Purchased Professional and Technical Services	121,746	(31,591)	90,155	89,147	1,008
Supplies and Materials	184,000	(1,366)	182,634	178,053	4,581
Other Objects	31,466	(5,700)	25,766	25,214	552
Total Undistributed Expenditures - Edu. Media Serv./Sch. Library	1,641,979	(74,744)	1,567,235	1,558,935	8,300
Undistributed Expenditures - Instructional Staff Training Serv.:					
Salaries of Supervisors of Instruction	33,462		33,462	32,941	521
Purchased Professional-Educational Services	129,246	(13,745)	115,501	111,276	4,225
Other Purchased Professional and Technical Services	12,200	1,500	13,700	13,450	250
Other Purchased Services (400-500 Series)	5,100	74	5,174	5,074	100
Supplies and Materials	10,228		10,228	10,228	
Other Objects	4,900		4,900	3,591	1,309
Total Undistributed Expenditures - Instructional Staff Training Serv.	195,136	(12,171)	182,965	176,560	6,405
Undistributed Expenditures - Supp. Serv. - General Admin.:					
Salaries	662,435	(85,934)	576,501	566,164	10,337
Legal Services	307,335	5,000	312,335	265,811	46,524
Architectural/Engineering Services	25,000	40,876	65,876	44,337	21,539
Other Purchased Professional Services	146,000	32,891	178,891	154,801	24,090
Communications/Telephone	282,103		282,103	254,584	27,519
Other Purchased Services (400-500 Series)	31,500	34,000	65,500	64,500	1,000
Supplies and Materials	42,108	716	42,822	35,875	6,947
Judgments Against the School District	10,000	(5,000)	5,000	533	4,467
Miscellaneous Expenditures	6,229	6,924	13,153	12,424	729
Total Undistributed Expenditures - Supp. Serv. - General Admin.	1,512,708	29,473	1,542,181	1,399,029	143,152

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

C-1
Sheet #5

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>CAPITAL OUTLAY</u>					
Equipment:					
Regular Programs - Instruction:					
Grades 9-12	\$ 8,750	\$ (2,000)	\$ 6,750	\$ 6,750	\$
Total Equipment	<u>8,750</u>	<u>(2,000)</u>	<u>6,750</u>	<u>6,750</u>	
Special Education - Noninstructional Equipment:					
Undistributed Expenditures - School Administration	305,273		305,273	305,273	
Total Noninstructional Equipment	<u>305,273</u>		<u>305,273</u>	<u>305,273</u>	
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	15,000		15,000	15,000	
Land and Improvements	803,900	644,566	1,448,466	1,448,466	
Building Other than Lease Purchase Agreements	972,688	182,955	1,155,643	1,153,593	2,050
Total Facilities Acquisition and Construction Services	<u>1,791,588</u>	<u>827,521</u>	<u>2,619,109</u>	<u>2,617,059</u>	<u>2,050</u>
TOTAL CAPITAL OUTLAY	<u>2,105,611</u>	<u>825,521</u>	<u>2,931,132</u>	<u>2,929,082</u>	<u>2,050</u>
<u>SPECIAL SCHOOLS</u>					
Summer School - Instruction:					
Salaries of Teachers	150,000		150,000	86,107	63,893
General Supplies	5,200	46,800	52,000	1,198	50,802
Total Summer School - Instruction	<u>155,200</u>	<u>46,800</u>	<u>202,000</u>	<u>87,305</u>	<u>114,695</u>
Total Summer School	<u>155,200</u>	<u>46,800</u>	<u>202,000</u>	<u>87,305</u>	<u>114,695</u>
TOTAL SPECIAL SCHOOLS	<u>155,200</u>	<u>46,800</u>	<u>202,000</u>	<u>87,305</u>	<u>114,695</u>
Transfer of Funds to Charter Schools	3,234,799	338,686	3,573,485	3,180,883	392,602
TOTAL EXPENDITURES	<u>94,261,774</u>	<u>1,366,820</u>	<u>95,628,594</u>	<u>103,941,608</u>	<u>(8,313,014)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(7,184,646)</u>	<u>(189,031)</u>	<u>(7,373,677)</u>	<u>(3,280,016)</u>	<u>4,093,661</u>
Other Financing Sources (Uses):					
Operating Transfer In:					
Contribution to School-Based Budgets - General Fund	50,356,074	189,031	50,167,043	49,639,989	(527,054)
Contribution to School-Based Budgets - Special Revenue Fund	1,415,000	(189,031)	1,604,031	1,584,831	(19,200)
Operating Transfer Out:					
Contribution to Whole School Reform	(50,356,074)	189,031	(50,167,043)	(49,839,989)	527,054
Total Other Financing Sources (Uses)	<u>1,415,000</u>	<u>189,031</u>	<u>1,604,031</u>	<u>1,584,831</u>	<u>(19,200)</u>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over/(Under) Expenditures and Other Financing Sources (Uses)	<u>(5,769,646)</u>		<u>(5,769,646)</u>	<u>(1,695,185)</u>	<u>4,074,461</u>
Fund Balance, July 1	<u>9,966,952</u>		<u>9,966,952</u>	<u>9,966,952</u>	
Fund Balance, June 30	<u>\$ 4,197,308</u>	<u>\$ -</u>	<u>\$ 4,197,308</u>	<u>\$ 8,271,766</u>	<u>\$ 4,074,461</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Reserve for Encumbrances				\$ 3,004,793	
Excess Surplus - Designated for Subsequent Years' Expenditures (18/19)				2,600,000	
Reserved for Excess Surplus (19/20)				779,312	
Unassigned Fund Balance				1,887,661	
				<u>8,271,766</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(7,482,027)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 789,739</u>	

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COMBINED BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2018

EXPENDITURES	ORIGINAL BUDGET			BUDGET TRANSFER			FINAL BUDGET			ACTUAL		
	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Resource Room/Resource Center:												
Salaries of Teachers	\$	2,905,882	\$ 2,905,882	\$	(1,488)	\$ (1,488)	\$	2,884,293	\$ 2,884,293	\$	2,855,410	\$ 2,855,410
Other Salaries for Instruction		379,442	379,442		28,329	28,329		407,771	407,771		407,491	407,491
Purchased Professional/Educational Services		7,250	7,250		49,026	49,026		56,276	56,276		4,517	4,517
Purchased Technical Services		3,000	3,000		-	-		3,000	3,000		3,000	3,000
Other Purchased Services (400-500 Series)		11,000	11,000		-	-		11,000	11,000		10,981	10,981
General Supplies		51,199	51,199		(8,758)	(8,758)		42,441	42,441		39,544	39,544
Textbooks		8,500	8,500		(3,500)	(3,500)		5,000	5,000		4,985	4,985
Other Objects		6,000	6,000		-	-		6,000	6,000		6,000	6,000
Total Resource Room/Resource Center		3,372,253	3,372,253		29,828	29,828		3,395,881	3,395,881		3,332,898	3,332,898
Autism:												
Salaries of Teachers		386,738	386,738		(32,740)	(32,740)		356,998	356,998		356,821	356,821
Other Salaries for Instruction		253,752	253,752		23,680	23,680		278,432	278,432		278,152	278,152
Other Purchased Services (400-500 Series)		2,000	2,000		-	-		2,000	2,000		2,000	2,000
General Supplies		10,480	10,480		(1,334)	(1,334)		9,146	9,146		7,728	7,728
Textbooks		1,500	1,500		-	-		1,500	1,500		748	748
Total Autism		657,470	657,470		(11,394)	(11,394)		648,078	648,078		643,547	643,547
Preschool Disabilities - Full-Time:												
Purchased Technical Services		2,500	2,500		-	-		2,500	2,500		2,500	2,500
Other Purchased Services (400-500 Series)		9,250	9,250		270	270		9,520	9,520		9,385	9,385
Other Objects		1,098	1,098		-	-		1,098	1,098		1,098	1,098
Total Preschool Disabilities - Full-Time		12,848	12,848		270	270		13,118	13,118		12,983	12,983
TOTAL SPECIAL EDUCATION - INSTRUCTION		6,154,093	6,154,093		(18,399)	(18,399)		6,135,733	6,135,733		6,041,897	6,041,897
Bilingual Education - Instruction:												
Salaries of Teachers		2,080,733	2,080,733		(11,419)	(11,419)		2,079,314	2,079,314		2,068,458	2,068,458
Other Salaries for Instruction		123,895	123,895		1,347	1,347		125,042	125,042		119,455	119,455
Purchased Professional-Educational Services		1,200	1,200		-	-		1,200	1,200		122	122
Purchased Technical Services		1,500	1,500		-	-		1,500	1,500		-	-
Other Purchased Services (400-500 Series)		10,700	10,700		(4,200)	(4,200)		6,500	6,500		6,474	6,474
General Supplies		44,599	44,599		(8,339)	(8,339)		36,260	36,260		33,294	33,294
Textbooks		14,200	14,200		(11,000)	(11,000)		3,200	3,200		3,200	3,200
Other Objects		7,728	7,728		-	-		7,728	7,728		7,728	7,728
Total Bilingual Education - Instruction		2,264,545	2,264,545		(32,609)	(32,609)		2,260,737	2,260,737		2,239,051	2,239,051
School-Sponsored Cocurricular Activities - Instruction:												
Salaries		204,239	204,239	20,803	(4,762)	15,821	20,803	189,457	220,080	20,803	164,872	205,475
Purchased Services (300-500 Series)		40,322	40,322		(18,009)	(18,009)		22,313	22,313		20,683	20,683
Supplies and Materials	80,000	80,000	120,000	12,838	450	13,088	72,836	80,450	133,068	65,168	54,848	119,724
Other Objects		-	-		451	451		451	451		276	276
Total School-Sponsored Cocurricular Activities - Instruction	80,000	304,561	384,561	33,241	(21,860)	11,351	93,241	282,871	375,912	85,781	280,357	348,148
School-Sponsored Athletics - Instruction:												
Salaries	161,800		161,800				161,800		161,800	157,887		157,887
Purchased Services (300-500 Series)	8,180		8,180	(122)			8,058		8,038	8,038		8,038
Supplies and Materials	205,837	500	206,337	34,142			239,779	500	240,279	218,952	500	219,452
Other Objects	35,818		35,818	(22,103)			29,789		29,789	8,022		8,022
Total School-Sponsored Athletics - Instruction	409,215	500	409,715	11,317			429,526	500	431,032	388,976	500	389,378
Community Service Programs - Operations:												
Purchased Services (300-500 Series)		25,500	32,500	15,844		15,844	41,144	7,000	48,144	1,000	8,008	7,866
Supplies and Materials		25,000	45,300		750	5,770	30,020	21,050	51,070	25,377	20,748	47,128
Other Objects		50,500	77,800	25,884			71,184	26,660	98,314	27,377	27,715	55,092
Total Community Service Programs - Operations		101,000	155,600	41,728		41,614	142,348	54,710	197,528	53,384	56,471	109,826
Total Instruction	4,193,493	30,281,338	34,488,789	38,727	100,521	139,248	4,144,190	30,481,857	34,608,047	3,958,711	29,921,838	33,480,549

CITY OF GRANDE TOWNSHIP SCHOOL DISTRICT
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FISCAL YEAR ENDED JUNE 30, 2018

C-1a
 Sheet #2

	ORIGINAL BUDGET			BUDGET TRANSFER			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
CAPITAL OUTLAY												
Equipment												
Regular Programs - Instruction:												
Grades 8-12	\$	\$ 8,750	\$ 8,750	\$	\$ (2,000)	\$ (2,000)	\$	\$ 8,750	\$ 9,750	\$	\$ 8,750	\$ 9,750
Total Equipment		8,750	8,750		(2,000)	(2,000)		8,750	9,750		8,750	9,750
Special Education - Non Instructional Equipment:												
Undistributed Expenditures - School Administration	305,273		305,273				305,273		305,273		305,273	305,273
Total Noninstructional Equipment	305,273		305,273				305,273		305,273		305,273	305,273
Facilities Acquisition and Construction Services:												
Architectural/Engineering Services	15,000		15,000				15,000		15,000		15,000	15,000
Land and Improvements	803,900		803,900	844,588		844,588	1,448,488		1,448,488		1,448,488	1,448,488
Buildings Other than Lease Purchase Agreements	972,688		972,688	182,955		182,955	1,153,643		1,153,643		1,153,643	1,153,643
Total Facilities Acquisition and Construction Services	1,791,588		1,791,588	827,521		827,521	2,616,106		2,616,106		2,617,056	2,617,056
TOTAL CAPITAL OUTLAY	2,086,861	8,750	2,105,811	827,521	(2,000)	825,521	2,824,382	8,750	2,931,132	2,822,332	8,750	2,829,082
SPECIAL SCHOOLS												
Summer School - Instruction:												
Salaries of Teachers	150,000		150,000				150,000		150,000	66,107		66,107
General Supplies	5,200		5,200	48,800		48,800	52,000		52,000	1,198		1,198
Total Summer School - Instruction	155,200		155,200	48,800		48,800	202,000		202,000	67,305		67,305
TOTAL SPECIAL SCHOOLS	155,200		155,200	48,800		48,800	202,000		202,000	67,305		67,305
Transfer of Funds to Charter Schools	3,254,789		3,254,789	338,688		338,688	3,573,485		3,573,485	3,180,683		3,180,683
TOTAL EXPENDITURES	42,086,748	52,193,028	84,281,774	1,369,820		1,369,820	42,435,568	52,193,028	95,628,594	52,374,068	51,587,522	103,941,808
Excess (Deficiency) of Revenue Over(Under) Expenditures	45,005,340	(32,193,028)	(7,188,648)	(169,031)		(169,031)	44,816,346	(32,193,028)	(7,373,677)	46,287,506	(51,587,522)	(3,286,018)
Other Financing Sources (Uses):												
Operating Transfer In:												
Contribution to School-Based Budgets - General Fund		50,358,074	50,358,074		(189,031)	(189,031)		50,167,043	50,167,043		49,839,988	49,839,988
Contribution to School-Based Budgets - Special Revenue Fund		1,415,000	1,415,000		189,031	189,031		1,604,031	1,604,031		1,584,831	1,584,831
Operating Transfer Out:												
Contribution to Whole School Reform	(50,358,074)		(50,358,074)	189,031		189,031	(50,167,043)		(50,167,043)	(49,839,989)		(49,839,989)
Total Other Financing Sources (Uses)	(50,358,074)	51,771,074	1,415,000	189,031		189,031	(50,167,043)	51,771,074	1,604,031	(49,839,989)	51,224,820	1,584,831
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Sources (Uses)	(5,347,884)	(421,952)	(5,789,846)				(5,347,884)	(421,952)	(5,769,846)	(1,382,483)	(342,703)	(1,895,185)
Fund Balance, July 1	9,545,000	421,952	9,666,952				9,545,000	421,952	9,966,952	9,545,000	421,952	9,966,952
Fund Balance, June 30	\$ 4,197,306	\$ -	\$ 4,197,306	\$ -	\$ -	\$ -	\$ 4,197,306	\$ -	\$ 4,197,306	\$ 5,182,517	\$ 79,248	\$ 5,271,766

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources	\$ 2,933,505	\$ 1,740,101	\$ 4,673,606	\$ 4,539,363	\$ 134,243
State Sources	10,758,824	135,923	10,894,747	10,206,672	688,075
Local Sources	<u> </u>	<u>295,946</u>	<u>295,946</u>	<u>289,458</u>	<u>6,488</u>
Total Revenues	<u>13,692,329</u>	<u>2,171,970</u>	<u>15,864,299</u>	<u>15,035,493</u>	<u>828,806</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,608,431	494,399	2,102,830	2,035,201	67,629
Other Salaries for Instruction	524,719	104,389	629,108	629,108	
Purchased Professional and Technical Services	<u> </u>	<u>120,000</u>	<u>120,000</u>	<u>115,726</u>	<u>4,274</u>
Purchased Professional and Educational Services	<u> </u>	<u>250,000</u>	<u>250,000</u>	<u>237,404</u>	<u>12,596</u>
Unused Vacation Payment to Terminated/Retired Staff	10,000	<u> </u>	10,000	10,000	
Other Purchased Services	523,799	168,120	691,919	592,363	99,556
Supplies and Materials	<u> </u>	<u>276,149</u>	<u>276,149</u>	<u>273,705</u>	<u>2,444</u>
General Supplies	75,000	20,375	95,375	73,247	22,128
Other Objects	25,000	28,725	53,725	53,303	422
Total Instruction	<u>2,766,949</u>	<u>1,462,157</u>	<u>4,229,106</u>	<u>4,020,057</u>	<u>209,049</u>
Support Services:					
Salaries	154,235	420,010	574,245	573,161	1,084
Salaries of Principals/Program Directors	119,389	<u> </u>	119,389	119,389	
Salaries of Other Professional Staff	539,244	<u> </u>	539,244	538,589	655
Salaries of Secretaries and Clerical Assistants	57,152	<u> </u>	57,152	54,708	2,444
Other Salaries	139,831	(34,150)	105,681	103,016	2,665
Salaries of Family/Parent Liaison and Community Parent Involvement Specialists	96,660	<u> </u>	96,660	95,435	1,225
Salaries of Facilitators, Math Coaches, Literacy Coaches, and Master Teachers	332,559	<u> </u>	332,559	331,120	1,439
Unused Vacation Payment to Terminated/Retired Staff	10,000	1,000	11,000	10,985	15
Employee Benefits	858,195	117,481	975,676	975,279	397
Purchased Professional and Technical Services - Contracted Pre-K	3,952,640	1,663,200	5,615,840	5,132,937	482,903
Purchased Professional and Technical Services - Head Start	1,663,200	(1,663,200)	<u> </u>	<u> </u>	<u> </u>
Purchased Professional-Educational Services	50,000	50,341	100,341	76,585	23,756
Purchased Professional and Technical Services	570,000	102,500	672,500	668,456	4,044
Other Purchased Services (400-500 Series)	25,000	24,000	49,000	48,921	79
Cleaning, Repairs and Maintenance Services	125,000	<u> </u>	125,000	124,996	4
Rentals	410,000	<u> </u>	410,000	410,000	
Contracted Services (Field Trips)	20,000	<u> </u>	20,000	11,644	8,356
Travel	12,000	<u> </u>	12,000	10,649	1,351
Supplies and Materials	25,000	47,300	72,300	72,048	252
Other Object	20,000	19,333	39,333	12,832	26,501
Salaries of Security	<u> </u>	<u>34,150</u>	<u>34,150</u>	<u>34,149</u>	<u>1</u>
Total Support Services	<u>9,180,105</u>	<u>781,965</u>	<u>9,962,070</u>	<u>9,404,999</u>	<u>557,171</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	20,000	33,005	53,005	25,708	27,299
Noninstructional Equipment	16,087	<u> </u>	16,087	16,087	
Total Facilities Acquisition and Construction Services	<u>36,087</u>	<u>33,005</u>	<u>69,092</u>	<u>25,706</u>	<u>43,386</u>
Total Expenditures	<u>11,983,141</u>	<u>2,277,127</u>	<u>14,260,268</u>	<u>13,450,662</u>	<u>809,606</u>
Other Financing Sources (Uses):					
Transfer Out to School-Based Budgets (General Fund)	(1,709,188)	105,157	(1,604,031)	(1,584,831)	(19,200)
Total Other Financing Sources (Uses)	<u>(1,709,188)</u>	<u>105,157</u>	<u>(1,604,031)</u>	<u>(1,584,831)</u>	<u>(19,200)</u>
Total Outflows	<u>13,692,329</u>	<u>2,171,970</u>	<u>15,864,299</u>	<u>15,035,493</u>	<u>828,806</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u> </u>	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ (0)</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

CITY OR ORANGE TOWNSHIP SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGET-TO-GAAP RECONCILIATION
 NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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

	<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/Inflows of Resources:			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule.	[C-1] \$ 100,661,592	[C-2]	\$ 15,035,493
Difference - Budget-to-GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			52,278
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	7,369,030		1,030,359
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(7,482,027)</u>		<u>(1,046,000)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] <u>\$ 100,548,595</u>		<u>\$ 15,072,130</u>
Uses/Outflows of Resources:			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	[C-1] \$ 103,941,608	[C-2]	\$ 15,035,493
Differences - Budget-to-GAAP			
The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis.			305,111
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			(252,833)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.			
Net transfers (outflows) to general fund			<u>(1,584,831)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	[B-2] <u>\$ 103,941,608</u>		<u>\$ 13,502,940</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

Note: GASB 68 requires that ten years of statistical data be presented. The following unaudited information is presented utilizing information available. Data for the latest years available has been presented. Each year hereafter, an additional year's data will be included until ten years of data is presented.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)
LAST FIVE (5) FISCAL YEAR *
(Unaudited)

L-1

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.095208277%	0.0911099750%	0.088543399%	0.0860858098%	0.0806909729%
District's proportionate share of the net pension liability (asset)	\$ 22,162,965	\$ 26,984,161	\$ 19,856,016	\$ 15,421,648	\$ 16,117,618
State's proportionate share of the net pension liability (asset) associated with the District	<u>23,278,401,588</u>	<u>29,617,131,759</u>	<u>22,447,996,119</u>	<u>18,722,735,003</u>	<u>19,111,986,911</u>
	<u>\$23,300,564,553</u>	<u>\$29,644,115,920</u>	<u>\$22,467,852,135</u>	<u>\$18,738,156,651</u>	<u>\$19,128,104,529</u>
District's covered-employee payroll	\$ 6,585,154	\$ 6,455,321	\$ 6,313,234	\$ 6,127,758	\$ 5,970,287
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2.97%	2.39%	3.18%	3.97%	3.70%
Plan fiduciary net position as a percentage of the total pension liability	48.10%	75.92%	38.21%	52.08%	48.72%

*The amounts presented for each fiscal year were determined as of the fiscal year-end.

Note: Only the last five (5) years of information are presented as GASB 68 was implemented during fiscal year ended June 30, 2016. Eventually a full ten (10) years schedule will be compiled.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST FIVE (5) FISCAL YEARS
(Unaudited)

L-2

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 882,003	\$ 931,984	\$ 883,913	\$ 760,462	\$ 709,679
Contributions in relation to the contractually required contribution	<u>882,003</u>	<u>931,984</u>	<u>883,913</u>	<u>760,462</u>	<u>709,679</u>
Contribution deficiency (excess)	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>
District's covered-employee payroll	\$ 6,585,154	\$ 6,455,321	\$ 6,313,234	\$ 6,127,758	\$ 5,907,087
Contributions as a percentage of covered-employee payroll	0.00	14.43%	14.00%	12.41%	12.01%

Note: Only the last five (5) years of information are presented as GASB 68 was implemented during fiscal year ended June 30, 2016. Eventually a full ten (10) year schedule will be compiled.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST FIVE (5) FISCAL YEARS
(Unaudited)

L-3

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset) (asset)	0.3708666684%	0.368439546%	0.3684639546%	0.3788665177%	0.3572028027%
District's proportionate share of the net pension liability (asset)	None	None	None	None	None
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 67,423,605,859</u>	<u>\$ 78,666,367,052</u>	<u>\$ 63,204,270,305</u>	<u>\$ 53,446,745,367</u>	<u>\$ 50,539,213,484</u>
Total	<u>\$ 67,423,605,859</u>	<u>\$ 78,666,367,052</u>	<u>\$ 63,204,270,305</u>	<u>\$ 53,446,745,367</u>	<u>\$ 50,539,213,484</u>
District's covered-employee payroll	\$ 38,842,357	\$ 37,989,562	\$ 37,062,988	\$ 36,718,832	\$ 37,671,360
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	None	None	None	None	None
Plan fiduciary net position as a percentage of the total pension liability	25.41%	38.20%	28.71%	33.64%	33.76%

Note: Only the last five (5) years of information are presented as GASB 68 was implemented during fiscal year ended June 30, 2016. Eventually a full (10) year schedule will be compiled.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEE PENSION FUND OF ESSEX COUNTY
LAST THREE (3) FISCAL YEARS
(Unaudited)

L-4

	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net pension liability (asset)	1.4243377%	1.3210903%	1.2201727%
District's proportionate share of the net pension liability (asset)	\$ 447,620	\$ 377,570	\$ 469,997
State's proportionate share of the net pension liability (asset) associated with the District	<u>31,426,510</u>	<u>28,580,175</u>	<u>38,518,876</u>
Total	<u>\$31,874,130</u>	<u>\$28,957,745</u>	<u>\$38,988,873</u>
District's covered-employee payroll	\$ 12,063	\$ 12,529	\$ 13,733
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2.69%	3.32%	2.92%
Plan fiduciary net position as a percentage of the total pension liability	77.36%	79.51%	76.05%

Note: Only the last Three (3) years of information are presented as GASB 68 was implemented during fiscal year ended June 30, 2016. Eventually a full (10) year schedule will be compiled.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
SCHEDULE OF DISTRICT CONTRIBUTIONS
EMPLOYEE PENSION FUND OF ESSEX COUNTY
LAST THREE (3) FISCAL YEARS
(Unaudited)

L-5

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$447,620	\$377,570	\$469,997
Contributions in relation to the contractually required contribution	<u>447,620</u>	<u>377,570</u>	<u>469,997</u>
Contribution deficiency (excess)	<u>None</u>	<u>None</u>	<u>None</u>
District's covered-employee payroll	\$ 12,063	\$ 12,529	\$ 13,733
Contributions as a percentage of covered-employee payroll	2.69%	3.32%	2.92%

Note: Only the last Three+ (3) years of information are presented as GASB 68 was implemented during the fiscal year ended June 30, 2016. Eventually a full ten (10) year schedule will be compiled.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART III

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE YEAR ENDED JUNE 30, 2018

Changes of Benefit Terms and Changes of Assumptions

Refer to Note 8 on the Notes to Financial Statements for benefits and assumptions.

**M. SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

Note: GASB 75 requires that ten years of statistical data be presented. The following unaudited information is presented utilizing information available. Data for the latest years available has been presented. Each year hereafter, an additional year's data will be included until ten years of data is presented.

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION**

Exhibit M-1

**SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY FOR PERS AND TPAF AND RELATED RATIOS**

LAST FISCAL YEAR *

	2018
<u>Total OPEB Liability</u>	
Service cost	\$ 9,098,628
Interest	4,711,481
Changes of benefit items	-
Changes of assumptions or other inputs	(20,681,843)
Benefit payments	(3,420,717)
Contributions from members	125,959
Net changes in total OPEB liability	(10,166,492)
Total OPEB liability - beginning	157,852,309
Total OPEB liability - ending	\$147,685,817
Covered-employee payroll (PERS and TPAF)	\$ 62,146,786
Total OPEB liability as a percentage of covered-employee payroll	237.64%

Note: Only the last year of information is presented as GASB 75 was implemented during the fiscal year ended June 30, 2018. Eventually a full ten (10) year schedule will be compiled.

Notes to Required Supplementary Information:

Benefit Changes - For pre-Medicare preferred provider organization (PPO) medical benefits, this amount liability is 5.9%. 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%. For prescription drug benefits, the initial trend rate is 10.5%. The Medicare Advantage trend rate is 4.5%.

Changes of Assumptions - The discount rate utilized was 3.58% as of June 30, 2017.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART III

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE YEAR ENDED JUNE 30, 2018

Changes of Benefit Terms and Changes of Assumptions

Refer to Notes 9 and 10 on the Notes to Financial Statements for benefits and assumptions.

OTHER SUPPLEMENTARY INFORMATION

D. SCHOOL-BASED BUDGET SCHEDULES (IF APPLICABLE)

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
COMBINING BALANCE SHEET - GAAP BASIS
JUNE 30, 2018

	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Assets			
Cash and Cash Equivalents	\$ 1,260,807	\$ 79,249	\$ 1,340,056
Intergovernmental Accounts Receivable:			
State	653,625		653,625
Local	<u>74,350</u>		<u>74,350</u>
Total Assets	<u>\$ 1,988,782</u>	<u>\$ 79,249</u>	<u>\$ 2,068,031</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 1,277,574		\$ 1,277,574
Intergovernmental Payable	<u>718</u>		<u>718</u>
Total Liabilities	<u>1,278,292</u>		<u>1,278,292</u>
Fund Balances:			
Restricted :			
Assigned for Other Purposes	2,925,544	79,249	3,004,793
Excess Surplus - Designated for Subsequent Years Expenditures	2,600,000		2,600,000
Excess Surplus	779,312		779,312
(Deficit)	<u>(5,594,366)</u>		<u>(5,594,366)</u>
Total Fund Balances	<u>710,490</u>	<u>79,249</u>	<u>789,739</u>
Total Liabilities and Fund Balances	<u>\$ 1,988,782</u>	<u>\$ 79,249</u>	<u>\$ 2,068,031</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

DISTRICT-WIDE

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 50,167,043		\$ 49,560,738	\$ 631,955
General Fund Reserve for Encumbrances at June 30, 2017	<u>421,952</u>		<u>421,952</u>	
Combined General Fund Contributions and State Resources	<u>50,588,995</u>	<u>96.93%</u>	<u>49,982,691</u>	<u>606,304</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>1,344,031</u>	<u>2.57%</u>	<u>1,328,316</u>	<u>15,715</u>
Title II, Part A of NCLB: <i>Preparing Training and Recruiting High Quality Teachers and Principals</i>	<u>260,000</u>	<u>0.50%</u>	<u>256,515</u>	<u>3,485</u>
Total Restricted Federal Resources	<u>1,604,031</u>	<u>3.07%</u>	<u>1,584,831</u>	<u>19,200</u>
Total Resources	<u>\$ 52,193,026</u>	<u>100.00%</u>	<u>\$ 51,567,522</u>	<u>\$ 625,504</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

CIAO

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$1,257,134		\$ 1,212,960	\$ 44,174
General Fund Reserve for Encumbrances at June 30, 2017	<u>124,291</u>		<u>124,291</u>	
Combined General Fund Contributions and State Resources	<u>1,381,425</u>	<u>100.00%</u>	<u>1,337,251</u>	<u>44,174</u>
Total Resources	<u>\$ 1,381,425</u>	<u>100.00%</u>	<u>\$ 1,337,251</u>	<u>\$ 44,174</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

CLEVELAND SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 3,202,342		\$ 3,108,329	\$ 94,013
General Fund Reserve for Encumbrances at June 30, 2017	399		399	
Combined General Fund Contributions and State Resources	<u>3,202,741</u>	<u>96.69%</u>	<u>3,108,728</u>	<u>94,013</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>83,633</u>	<u>2.52%</u>	<u>81,178</u>	<u>2,455</u>
Title II, Part A of NCLB: <i>Preparing, Training and Recruiting High Quality Teachers and Principals</i>	<u>26,000</u>	<u>0.78%</u>	<u>25,237</u>	<u>763</u>
Title III, Part A of NCLB: <i>English Language Acquisition, Language Enhancement, and Academic Achievement</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Restricted Federal Resources	<u>109,633</u>	<u>3.31%</u>	<u>106,415</u>	<u>3,218</u>
Total Resources	<u>\$ 3,312,374</u>	<u>100.00%</u>	<u>\$ 3,215,143</u>	<u>\$ 97,231</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

FOREST SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 3,223,550		\$ 3,159,692	\$ 63,858
General Fund Reserve for Encumbrances at June 30, 2017	137		137	
Combined General Fund Contributions and State Resources	<u>3,223,687</u>	<u>96.36%</u>	<u>3,159,829</u>	<u>63,858</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>95,760</u>	<u>2.86%</u>	<u>93,863</u>	<u>1,897</u>
Title II, Part A of NCLB: <i>Preparing Training and Recruiting High Quality Teachers and Principals</i>	<u>26,000</u>	<u>0.78%</u>	<u>25,485</u>	<u>515</u>
Title III, Part A of NCLB: <i>English Language Acquisition, Language Enhancement, and Academic Achievement</i>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Restricted Federal Resources	<u>121,760</u>	<u>3.64%</u>	<u>119,348</u>	<u>2,412</u>
Total Resources	<u>\$ 3,345,447</u>	<u>100.00%</u>	<u>\$ 3,279,177</u>	<u>\$ 66,270</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

HEYWOOD SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$3,931,658		\$ 3,859,647	\$ 72,011
General Fund Reserve for Encumbrances at June 30, 2017	<u>16,129</u>		<u>16,129</u>	
Combined General Fund Contributions and State Resources	<u>3,947,787</u>	<u>97.43%</u>	<u>3,875,776</u>	<u>72,011</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>73,130</u>	<u>1.80%</u>	<u>71,796</u>	<u>1,334</u>
Title II, Part A of NCLB: <i>Preparing Training and Recruiting High Quality Teachers and Principals</i>	<u>31,200</u>	<u>0.77%</u>	<u>30,631</u>	<u>569</u>
Title III, Part A of NCLB: <i>English Language Acquisition, Language Enhancement, and Academic Achievement</i>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Restricted Federal Resources	<u>104,330</u>	<u>2.57%</u>	<u>102,427</u>	<u>1,903</u>
Total Resources	<u>\$4,052,117</u>	<u>100.00%</u>	<u>\$3,978,203</u>	<u>\$ 73,914</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

LINCOLN AVENUE SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 6,488,334		\$ 6,416,130	\$ 72,204
General Fund Reserve for Encumbrances at June 30, 2017	<u>49,192</u>		<u>49,192</u>	
Combined General Fund Contributions and State Resources	<u>6,537,526</u>	<u>96.25%</u>	<u>6,465,322</u>	<u>72,204</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>202,920</u>	<u>2.99%</u>	<u>200,679</u>	<u>2,241</u>
Title II, Part A of NCLB: <i>Preparing Training and Recruiting High Quality Teachers and Principals</i>	<u>52,000</u>	<u>0.77%</u>	<u>51,426</u>	<u>574</u>
Title III, Part A of NCLB: <i>English Language Acquisition, Language Enhancement, and Academic Achievement</i>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Restricted Federal Resources	<u>254,920</u>	<u>3.75%</u>	<u>252,105</u>	<u>2,815</u>
Total Resources	<u>\$ 6,792,446</u>	<u>100.00%</u>	<u>\$ 6,717,427</u>	<u>\$ 75,019</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

OAKWOOD SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$2,839,914		\$ 2,826,279	\$ 13,635
General Fund Reserve for Encumbrances at June 30, 2017	<u>16,616</u>		<u>16,616</u>	<u> </u>
Combined General Fund Contributions and State Resources	<u>2,856,530</u>	<u>96.03%</u>	<u>2,842,895</u>	<u>13,635</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>94,578</u>	<u>3.18%</u>	<u>94,127</u>	<u>451</u>
Title II, Part A of NCLB: <i>Preparing Training and Recruiting High Quality Teachers and Principals</i>	<u>23,400</u>	<u>0.79%</u>	<u>23,288</u>	<u>112</u>
Title III, Part A of NCLB: <i>English Language Acquisition, Language Enhancement, and Academic Achievement</i>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Restricted Federal Resources	<u>117,978</u>	<u>3.97%</u>	<u>117,415</u>	<u>563</u>
Total Resources	<u>\$2,974,508</u>	<u>100.00%</u>	<u>\$ 2,960,310</u>	<u>\$ 14,198</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

PARK AVENUE SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 4,586,700		\$ 4,576,827	\$ 9,873
General Fund Reserve for Encumbrances at June 30, 2017	9,301		9,301	
Combined General Fund Contributions and State Resources	<u>4,596,001</u>	<u>96.67%</u>	<u>4,586,128</u>	<u>9,873</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	121,980	2.57%	121,718	262
Title II, Part A of NCLB: <i>Preparing, Training and Recruiting High Quality Teachers and Principals</i>	36,400	0.77%	36,322	78
Title III, Part A of NCLB: <i>English Language Acquisition, Language Enhancement, and Academic Achievement</i>				
Total Restricted Federal Resources	<u>158,380</u>	<u>3.33%</u>	<u>158,040</u>	<u>340</u>
Total Resources	<u>\$ 4,754,381</u>	<u>100.00%</u>	<u>\$ 4,744,168</u>	<u>\$ 10,213</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ORANGE PREP ACADEMY

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$7,024,129		\$6,975,629	\$ 48,500
General Fund Reserve for Encumbrances at June 30, 2017	<u>189,671</u>		<u>189,671</u>	<u> </u>
Combined General Fund Contributions and State Resources	<u>7,213,800</u>	<u>97.88%</u>	<u>7,165,300</u>	<u>48,500</u>
Restricted Federal Sources: Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>156,180</u>	<u>2.12%</u>	<u>155,130</u>	<u>1,050</u>
Total Restricted Federal Resources	<u>156,180</u>	<u>2.12%</u>	<u>155,130</u>	<u>1,050</u>
Total Resources	<u><u>\$7,369,980</u></u>	<u><u>100.00%</u></u>	<u><u>\$7,320,430</u></u>	<u><u>\$ 49,550</u></u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ORANGE HIGH SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 9,715,945		\$ 9,634,180	\$ 81,765
General Fund Reserve for Encumbrances at June 30, 2017	<u>5,587</u>		<u>5,587</u>	
Combined General Fund Contributions and State Resources	<u>9,721,532</u>	<u>98.18%</u>	<u>9,639,767</u>	<u>81,765</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>180,690</u>	<u>1.82%</u>	<u>179,170</u>	<u>1,520</u>
Total Restricted Federal Resources	<u>180,690</u>	<u>1.82%</u>	<u>179,170</u>	<u>1,520</u>
Total Resources	<u>\$ 9,902,222</u>	<u>100.00%</u>	<u>\$ 9,818,937</u>	<u>\$ 83,285</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES
 ALLOCATED BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ROSA PARKS ELEMENTARY SCHOOL

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 7,897,337		\$ 7,791,085	\$ 106,272
General Fund Reserve for Encumbrances at June 30, 2017	<u>10,629</u>		<u>10,629</u>	
Combined General Fund Contributions and State Resources	<u>7,907,966</u>	<u>95.18%</u>	<u>7,801,694</u>	<u>106,273</u>
Restricted Federal Sources:				
Title I of NCLB: <i>Improving the Academic Achievement of the Disadvantaged</i>	<u>335,160</u>	<u>4.03%</u>	<u>330,656</u>	<u>4,504</u>
Title II, Part A of NCLB: <i>Preparing Training and Recruiting High Quality Teachers and Principals</i>	<u>65,000</u>	<u>0.78%</u>	<u>64,126</u>	<u>874</u>
Title III, Part A of NCLB: <i>English Language Acquisition, Language Enhancement, and Academic Achievement</i>	<u> </u>		<u> </u>	
Total Restricted Federal Resources	<u>400,160</u>	<u>4.82%</u>	<u>394,782</u>	<u>5,378</u>
Total Resources	<u>\$ 8,308,126</u>	<u>100.00%</u>	<u>\$ 8,196,476</u>	<u>\$ 111,650</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE 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>
<u>DISTRICT-WIDE</u>					
<u>REGULAR PROGRAMS - INSTRUCTION</u>					
Regular Programs - Instruction:					
Preschool/Kindergarten - Salaries of Teachers	\$ 1,356,899	\$ (13,883)	\$ 1,343,016	\$ 1,337,893	\$ 5,123
Grades 1-5 - Salaries of Teachers	7,695,832	(5,687)	7,690,145	7,686,639	3,506
Grades 6-8 - Salaries of Teachers	5,662,641	(49,939)	5,812,702	5,609,295	3,407
Grades 9-12 - Salaries of Teachers	4,797,111	(13,819)	4,783,292	4,766,861	16,431
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	539,370	(15,565)	523,805	520,877	2,928
Purchased Professional-Educational Services	231,224	185,640	416,864	253,654	163,210
Purchased Technical Services	191,539	141,383	332,922	205,665	127,257
Other Purchased Services (400-500 Series)	22,816	672	23,488	9,822	13,666
General Supplies	879,314	(36,765)	842,549	798,849	43,700
Textbooks	151,936	(27,368)	124,568	118,566	6,002
Other Objects	51,855	8,960	60,815	43,747	17,068
TOTAL REGULAR PROGRAMS - INSTRUCTION	21,580,537	173,629	21,754,166	21,351,868	402,298
<u>SPECIAL EDUCATION - INSTRUCTION</u>					
Learning and/or Language Disabilities:					
Salaries of Teachers	745,252	(12,806)	732,446	730,046	2,400
Other Salaries for Instruction	259,850	(3,286)	256,564	252,142	4,422
Purchased Professional-Educational Services	1,000		1,000	370	630
Other Purchased Services (400-500 Series)	6,200		6,200	5,156	1,044
General Supplies	27,945	(1,406)	26,539	24,471	2,068
Textbooks	10,900	(3,000)	7,900	5,723	2,177
Other Objects	4,500		4,500	3,697	803
Total Learning and/or Language Disabilities	1,055,647	(20,498)	1,035,149	1,021,605	13,544
Behavioral Disabilities:					
Salaries of Teachers	60,132	(3,938)	56,194	55,545	649
Other Salaries for Instruction	27,936	590	28,526	27,343	1,183
Other Purchased Services (400-500 Series)	2,000		2,000	2,000	
General Supplies	10,500		10,500	10,395	105
Total Behavioral Disabilities	107,068	(3,348)	103,720	100,062	3,658

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE 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>
<u>DISTRICT-WIDE</u>					
Multiple Disabilities:					
Salaries of Teachers	\$ 520,233	\$ (12,096)	\$ 508,137	\$ 504,900	\$ 3,237
Other Salaries for Instruction	391,689	4,958	396,647	393,791	2,856
Purchased Technical Services	5,000		5,000	5,000	
Other Purchased Services (400-500 Series)	5,000	120	5,120	3,956	1,164
General Supplies	22,552		22,552	20,212	2,340
Textbooks	4,000		4,000	2,440	1,560
Other Objects	365		365	365	
Total Multiple Disabilities	948,839	(7,018)	941,821	930,664	11,157
Resource Room/Resource Center:					
Salaries of Teachers	2,905,862	(41,469)	2,864,393	2,856,410	7,983
Other Salaries for Instruction	379,442	28,329	407,771	407,491	280
Purchased Professional-Educational Services	7,250	49,026	56,276	4,517	51,759
Purchased Technical Services	3,000		3,000	3,000	
Other Purchased Services (400-500 Series)	11,000		11,000	10,961	39
General Supplies	51,199	(8,758)	42,441	39,544	2,897
Textbooks	8,500	(3,500)	5,000	4,965	35
Other Objects	6,000		6,000	6,000	
Total Resource Room/Resource Center	3,372,253	23,828	3,395,881	3,332,888	62,993
Autism:					
Salaries of Teachers	389,738	(32,740)	356,998	356,921	77
Other Salaries for Instruction	253,752	22,680	276,432	276,152	280
Other Purchased Services (400-500 Series)	2,000		2,000	2,000	
General Supplies	10,480	(1,334)	9,146	7,726	1,420
Total Autism	657,470	(11,394)	646,076	643,547	2,529
Preschool Disabilities - Full-Time:					
General Supplies	9,250	270	9,520	9,365	155
Other Objects	1,066		1,066	1,066	
Total Preschool Disabilities - Full-Time	12,816	270	13,086	12,931	155
TOTAL SPECIAL EDUCATION - INSTRUCTION	6,154,093	(18,360)	6,135,733	6,041,697	94,036

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE 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>
<u>DISTRICT-WIDE</u>					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 2,090,733.00	\$ (11,419.00)	\$ 2,079,314.00	\$ 2,069,458.00	\$ 9,856.00
Other Salaries for Instruction	123,695	1,347	125,042	119,455	5,587
Purchased Professional-Educational Services	1,200		1,200	122	1,078
Purchased Technical Services	1,500		1,500		1,600
Other Purchased Services (400-500 Series)	10,700	(4,200)	6,500	6,474	26
General Supplies	44,589	(8,336)	36,253	33,264	2,989
Textbooks	14,200	(11,000)	3,200	3,200	
Other Objects	7,728		7,728	7,728	
Total Bilingual Education - Instruction	2,294,345	(33,608)	2,260,737	2,239,701	21,036
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	204,239	(4,782)	199,457	184,872	14,585
Purchased Services (300-500 Series)	40,322	(18,009)	22,313	20,663	1,650
Supplies and Materials	60,000	450	60,450	54,546	5,904
Other Objects		451	451	276	175
	304,561	(21,890)	282,671	260,357	22,314
School-Sponsored Athletics - Instruction:					
Supplies and Materials	500		500	500	
Total School-Sponsored Athletics - Instruction	500		500	500	
Before/After School Programs - Instruction:					
Purchased Services (300-500 series)	7,000		7,000	6,966	34
Supplies and Materials	20,300	750	21,050	20,749	301
Total Before/After School Programs - Instruction	27,300	750	28,050	27,715	335
Total Instruction	30,361,336	100,521	30,461,857	29,921,838	540,019

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>DISTRICT-WIDE</u>					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 324,370	\$ (1,807)	\$ 322,563	\$ 322,171	\$ 392
Salaries of Family Support Teams	176,444		176,444	176,242	202
Supplies and Materials	7,199	72	7,271	4,673	2,598
Total Undistributed Expend. - Attendance and Social Work	508,013	(1,735)	506,278	503,086	3,192
Undistributed Expenditures - Health Services:					
Salaries	816,996	(7,653)	809,343	806,220	3,123
Purchased Professional and Technical Services	1,350		1,350	408	942
Supplies and Materials	15,110	(1,668)	13,442	12,350	1,092
Other Objects	165		165	165	-
Total Undistributed Expenditures - Health Services	833,621	(9,321)	824,300	819,143	5,157
Undist. Expend. - Other Supp. Serv. Students - Related Serv.:					
Salaries of Other Professional Staff	738,986		738,986	738,076	910
Purchased Professional and Educational Services	6,000		6,000	6,000	-
Supplies and Materials	15,882	227	16,109	15,935	174
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	760,868	227	761,095	760,011	1,084
Undist. Expend. - Other Supp. Serv. Students - Guidance:					
Salaries of Other Professional Staff	50,467	300	50,767	50,712	55
Other Purchased Professional and Technical Services	200		200	-	200
Supplies and Materials	300	(300)	-	-	-
Total Undist. Expend. - Other Supp. Serv. Students - Guidance	50,967	300	51,267	51,012	255
Undistributed Expenditures - Improvement of Inst. Serv.:					
Salaries of Supervisor of Instruction	24,990	(6,660)	18,330	18,309	21
Supplies and Materials	9,943		9,943	8,248	1,695
Total Undistributed Expenditures - Improvement of Inst. Serv.	37,733	(6,660)	31,073	29,268	1,805
Undistributed Expenditures - Edu. Media Serv./Sch. Library:					
Salaries	512,029	(25,900)	486,129	484,075	2,054
Salaries of Technology Coordinators	792,738	(10,187)	782,551	782,446	105
Purchased Professional and Technical Services	6,671		6,671	5,663	1,008
Supplies and Materials	184,000	(1,366)	182,634	178,053	4,581
Other Objects	31,466	(5,700)	25,766	25,214	552
Total Undistributed Expenditures - Edu. Media Serv./Sch. Library	1,526,904	(43,153)	1,483,751	1,475,451	8,300

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>DISTRICT-WIDE</u>					
Undistributed Expenditures - Instructional Staff Training Serv.:					
Supplies and Materials	\$ 4,900.00	\$	\$ 4,900.00	\$ 3,591.00	\$ 1,309.00
Total Undistributed Expenditures - Instructional Staff Training Serv.	4,900		4,900	3,591	1,309
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals/ Program Directors	2,641,429	(24,036)	2,617,393	2,610,450	6,943
Salaries of Other Professional Staff	2,600	(1,560)	1,040		1,040
Salaries of Secretarial and Clerical Assistants	943,797	(7,004)	936,793	929,832	6,961
Purchased Professional and Technical Services	7,750	(1,700)	6,050	4,904	1,146
Other Purchased Services (400-500 Series)	3,800		3,800	3,728	72
Supplies and Materials	66,273	863	67,136	60,544	6,592
Other Objects	1,303	(100)	1,203	1,203	
Total Undistributed Expenditures - Support Serv. - School Admin.	3,666,952	(33,537)	3,633,415	3,610,661	22,754
Undist. Expend. - Allowance for Maintenance of School Facilities:					
General Supplies	8,400	(1,452)	6,948	5,966	982
Total Undist. Expend. - Allowance for Maintenance of School Facilities	14,400	(1,452)	12,948	11,105	1,843
Undistributed Expenditures - Other Oper. and Maint. of Plant:					
General Supplies	500	(500)			
Undistributed Expenditures - Security:					
Salaries	881,313		881,313	880,088	1,225
General Supplies	2,016	498	2,514	1,830	684
Total Undistributed Expenditures - Security	883,329	498	883,827	881,918	1,909
Total Undistributed Expenditures - Other Oper. and Maint. of Plant	1,047,246	(1,454)	1,045,792	1,042,040	3,752
Undistributed Expenditures - Student Transportation Serv.:					
Sal for Pupil Trans (Other than Bet. Home & Sch)	33,881	14,700	48,581	42,199	6,382
Contractual Service (Other than Between Home and Sch.) - Vendor	64,923	50,811	115,734	85,015	30,719
Total Undistributed Expenditures - Student Transportation Serv.	98,804	65,511	164,315	127,214	37,101
UNALLOCATED BENEFITS:					
Group Insurance	5,266,192	(2,000)	5,264,192	5,264,192	
Health Benefits	8,020,740	(66,699)	7,954,041	7,953,265	776
TOTAL UNALLOCATED BENEFITS	13,286,932	(68,699)	13,218,233	13,217,457	776
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS	13,286,932	(68,699)	13,218,233	13,217,457	776
TOTAL UNDISTRIBUTED EXPENDITURES	21,822,940	(98,521)	21,724,419	21,638,934	85,485
TOTAL GENERAL CURRENT EXPENSE	52,184,276	2,000	52,186,276	51,560,772	625,504

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE 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>
<u>DISTRICT-WIDE</u>					
<u>CAPITAL OUTLAY</u>					
Equipment:					
Regular Program - Instruction:					
Grades 9 - 12	\$ 8,750.00	\$ (2,000.00)	\$ 6,750.00	\$ 6,750.00	\$ -
Total Equipment	<u>8,750</u>	<u>(2,000)</u>	<u>6,750</u>	<u>6,750</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>8,750</u>	<u>(2,000)</u>	<u>6,750</u>	<u>6,750</u>	<u>-</u>
School-Based Expenditures	<u>52,193,026</u>		<u>52,193,026</u>	<u>51,567,522</u>	<u>625,504</u>
Other Financing Sources:					
Operating Transfer In	<u>51,771,074</u>		<u>51,771,074</u>	<u>51,224,819</u>	<u>546,255</u>
Total Other Financing Sources	<u>51,771,074</u>	<u>-</u>	<u>51,771,074</u>	<u>51,224,819</u>	<u>546,255</u>
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing Sources	<u>(421,952)</u>		<u>(421,952)</u>	<u>(342,703)</u>	<u>79,249</u>
Fund Balance, July 1	<u>421,952</u>		<u>421,952</u>	<u>421,952</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,249</u>	<u>\$ 79,249</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CIAO					
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 437,040	\$ (9,777.00)	\$ 427,263	\$ 411,007	\$ 16,256
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	123,100	12,977	136,077	121,440	14,637
General Supplies	66,592	(199)	66,393	64,403	1,990
TOTAL REGULAR PROGRAMS - INSTRUCTION	626,732	3,001	629,733	596,850	32,883
SPECIAL EDUCATION - INSTRUCTION					
Resource Room/Resource Center:					
Salaries of Teachers	56,194		56,194	56,101	93
General Supplies	2,423	(570)	1,853	1,818	35
Total Resource Room/Resource Center	58,617	(570)	58,047	57,919	128
TOTAL SPECIAL EDUCATION - INSTRUCTION	58,617	(570)	58,047	57,919	128
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	12,190		12,190	12,000	190
Purchased Services (300-500 Series)	8,000	(2,800)	5,200	5,171	29
Supplies and Materials	3,000		3,000	2,961	39
Total School-Sponsored Cocurricular Activities - Instruction	23,190	(2,800)	20,390	20,132	258
Total Instruction	708,539	(369)	708,170	674,901	33,269
Undistributed Expenditures - Attendance and Social Work:					
Salaries	86,613		86,613	86,613	
Supplies and Materials	1,300		1,300	70	1,230
Total Undistributed Expenditures - Attendance and Social Work	87,913		87,913	86,683	1,230
Undistributed Expenditures - Health Services:					
Supplies and Materials		569	569	275	294
Total Undistributed Expenditures - Health Services		569	569	275	294
Undistributed Expenditures - Other Supp. Serv. - Guidance:					
Salaries of Other Professional Staff	50,467	300	50,767	50,712	55
Total Undistributed Expenditures - Other Supp. Serv. - Guidance	50,467	300	50,767	50,712	55
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	3,500	(3,500)			
Supplies and Materials	3,960		3,960	3,551	409
Total Undistributed Expenditures - Improvement of Instruction Services	7,460	(3,500)	3,960	3,551	409
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	160,117		160,117	159,598	519
Salaries of Secretarial and Clerical Assistants	49,021	(3,000)	46,021	45,830	191
Purchased Professional and Technical Services	1,500		1,500	1,500	
Supplies and Materials	4,451		4,451	4,392	59
Total Undistributed Expenditures - Support Services - School Administration	215,089	(3,000)	212,089	211,320	769
Undist. Expend. - Allowance for Maintenance of School Facilities:					
Undistributed Expenditures - Security:					
Salaries	33,660		33,660	33,250	410
General Supplies	300		300	300	
Total Undistributed Expenditures - Security	33,960		33,960.00	33,250.00	710.00
Total Undistributed Expenditures - Allowance for Maintenance of School Facilities	33,960		33,960	33,250	710
Undistributed Expenditures - Student Transportation Services:					
Contractual Services (Other than Between Home and School) - Vendor	4,399	8,000	12,399	4,961	7,438
Total Undistributed Expenditures - Student Transportation Services	4,399	8,000	12,399	4,961	7,438
UNALLOCATED BENEFITS:					
Health Benefits	264,848		264,848	264,848	
TOTAL UNALLOCATED BENEFITS	264,848		264,848	264,848	
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS	264,848		264,848	264,848	
TOTAL UNDISTRIBUTED EXPENDITURES	664,136	2,369	666,505	655,500	10,905
TOTAL GENERAL CURRENT EXPENSE	1,372,675	2,000	1,374,675	1,330,501	44,174
CAPITAL OUTLAY					
Equipment					
Regular Program - Instruction					
Grades 9 - 12	8,750	(2,000)	6,750	6,750	
Total Equipment	8,750	(2,000)	6,750	6,750	
TOTAL CAPITAL OUTLAY	8,750	(2,000)	6,750	6,750	
School-Based Expenditures	1,381,425	-	1,381,425	1,337,251	44,174
Other Financing Sources (Uses):					
Operating Transfer In	1,257,134		1,257,134	1,207,999	49,135
Total Other Financing Sources (Uses)	1,257,134	-	1,257,134	1,207,999	49,135
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing Sources	(124,291)	-	(124,291)	(129,252)	(4,961)
Fund Balance, July 1	124,291	-	124,291	124,291	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ (4,961)	\$ (4,961)

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

D-3b

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>CLEVELAND STREET SCHOOL</u>					
<u>REGULAR PROGRAMS - INSTRUCTION</u>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 115,351	\$ (5,000)	\$ 110,351	\$ 108,709	\$ 1,642
Grades 1-5 - Salaries of Teachers	1,041,482	(3,819)	1,037,643	1,037,447	196
Grades 6-8 - Salaries of Teachers	202,479	(8,593)	193,886	192,135	1,751
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	55,812		55,812	53,306	2,506
Purchased Technical Services	500	68,618	69,118	500	68,618
General Supplies	59,048	-	59,048	57,894	1,154
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,474,652	51,208	1,525,858	1,449,991	75,867
<u>SPECIAL EDUCATION - INSTRUCTION</u>					
Learning and/or Language Disabilities:					
Salaries of Teachers	71,449		71,449	71,311	138
Other Salaries for Instruction	53,023	(1,000)	52,023	48,041	3,982
General Supplies	844		844	564	280
Textbooks	400	1,000	1,400	1,206	194
Total Learning and/or Language Disabilities	125,716	-	125,716	121,122	4,594
Resource Room/Resource Center:					
Salaries of Teachers	193,326	(3,764)	189,562	184,909	4,653
Other Salaries for Instruction	61,956	3,764	65,720	65,720	
General Supplies	600		600	572	28
Total Resource Room/Resource Center	255,882	-	255,882	251,201	4,681
TOTAL SPECIAL EDUCATION - INSTRUCTION	381,598		381,598	372,323	9,275
Bilingual Education - Instruction:					
Salaries of Teachers	82,998	(5,219)	77,779	77,259	520
General Supplies	200		200	200	
Textbooks	200		200	200	
Total Bilingual Education - Instruction	83,398	(5,219)	78,179	77,659	520
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	6,650		6,650	550	6,100
Purchased Services (300-500 Series)	5,001	420	5,421	5,401	20
Total School-Sponsored Cocurricular Activities - Instruction	11,651	420	12,071	5,951	6,120
Total Instruction	1,951,299	46,407	1,997,706	1,905,924	91,782
Undistributed Expenditures - Attendance and Social Work:					
Salaries	56,322		56,322	55,930	392
Supplies and Materials	150		150	135	15
Total Undistributed Expenditures - Attendance and Social Work	56,472		56,472	56,065	407
Undistributed Expenditures - Health Services:					
Salaries	89,661		89,661	89,076	585
Purchased Professional and Technical Services	150		150	149	1
Supplies and Materials	700		700	689	11
Total Undistributed Expenditures - Health Services	90,511		90,511	89,914	597
Undist. Expend. - Improvement of Inst. Serv.:					
Supplies and Materials	1,650		1,650	1,650	
Total Undist. Expend. - Improvement of Inst. Serv.	1,650		1,650	1,650	
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries	29,981	(21,000)	8,981	8,080	901
Salaries of Technology Coordinators	86,613	(5,387)	81,226	81,225	1
Purchased Professional and Technical Services	150		150	132	18
Supplies and Materials	11,273		11,273	11,233	40
Total Undistributed Expenditures - Educational Media Services/School Library	128,017	(26,387)	101,630	100,670	960
Undistributed Expenditures - Instructional Staff Training Services:					
Supplies and Materials	1,400		1,400	1,101	299
Total Undistributed Expenditures - Instructional Staff Training Services	1,400		1,400	1,101	299
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	129,765		129,765	129,118	647
Salaries of Secretarial and Clerical Assistants	54,203		54,203	53,355	848
Purchased Professional and Technical Services	550		550	550	
Supplies and Materials	5,000		5,000	4,938	62
Total Undistributed Expenditures - Support Services - School Administration	189,518		189,518	187,961	1,557
Undistributed Expenditures - Other Operations and Maintenance of Plant:					
Undistributed Expenditures - Security:					
Salaries	28,832		28,832	28,832	
General Supplies	250		250	250	
Total Undistributed Expenditures - Security	29,082.00		29,082	29,082	
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	29,082		29,082	29,082	
Undistributed Expenditures - Student Transportation Services:					
Contractual Services (Other than Between Home and School) - Vendor	4,000	2,080	6,080	4,499	1,581
Total Undistributed Expenditures - Student Transportation Services	4,000	2,080	6,080	4,499	1,581
UNALLOCATED BENEFITS:					
Health Benefits	860,425	(22,100)	838,325	838,277	48
TOTAL UNALLOCATED BENEFITS	860,425	(22,100)	838,325	838,277	48
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS	860,425	(22,100)	838,325	838,277	48
TOTAL UNDISTRIBUTED EXPENDITURES	1,361,075	(46,407)	1,314,668	1,309,219	5,449
TOTAL GENERAL CURRENT EXPENSE	3,312,374	-	3,312,374	3,215,143	97,231.48

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

D-3b

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>CLEVELAND STREET SCHOOL</u>					
School-Based Expenditures	\$ 3,312,374	\$ -	\$ 3,312,374	\$ 3,215,143	\$ 97,231
Other Financing Sources (Uses):					
Operating Transfer In	3,311,975		3,311,975	3,217,873	94,102
Total Other Financing Sources (Uses)	3,311,975		3,311,975	3,217,873	94,102
Excess (Deficiency) of Other Financing Sources Over/(Under) Expenditures and Other Financing Sources	(399)	-	(399)	2,730	3,129
Fund Balance, July 1	399	-	399	399	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 3,129	\$ 3,129

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
FOREST SCHOOL					
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 172,429		\$ 172,429	\$ 169,756	\$ 2,671
Grades 1-5 - Salaries of Teachers	806,076		806,076	806,076	
Grades 6-8 - Salaries of Teachers	453,981		453,981	453,978	3
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	79,994		79,994	79,994	
Purchased Professional-Educational Services		48,900	48,900		48,900
General Supplies	74,536		74,536	72,529	2,007
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,597,016	48,900	1,635,916	1,582,335	53,581
SPECIAL EDUCATION - INSTRUCTION					
Resource Room/Resource Center:					
Salaries of Teachers	174,571		174,571	172,524	2,047
General Supplies	2,458		2,458	2,445	13
Total Resource Room/Resource Center	177,029		177,029	174,969	2,060
TOTAL SPECIAL EDUCATION - INSTRUCTION	177,029		177,029	174,969	2,060
Bilingual Education - Instructions:					
Salaries of Teachers	120,348		120,348	118,206	2,142
General Supplies	3,000		3,000	2,943	57
Total Bilingual Education - Instructions	123,348		123,348	121,149	2,199
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	7,910		7,910	7,432	478
Total School-Sponsored Cocurricular Activities - Instruction	7,910		7,910	7,432	478
Total Instruction	1,895,303	48,900	1,944,203	1,885,885	58,318
Undistributed Expenditures - Health Services:					
Salaries	55,332		55,332	55,332	
Supplies and Materials	1,500		1,500	1,472	28
Total Undistributed Expenditures - Health Services	56,832		56,832	56,804	28
Undistributed Expenditures - Other Supp. Serv. Students - Guidance					
Salaries of Other Professional Staff	60,963		60,963	60,852	111
Total Undistributed Expend. - Other Supp. Serv. Students - Guidance	60,963		60,963	60,852	111
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries	62,863		62,863	62,863	
Salaries of Technology Coordinators	60,709	(4,800)	55,909	55,863	46
Supplies and Materials	2,145		2,145	1,986	159
Other Objects	10,036		10,036	9,844	192
Total Undistributed Expenditures - Educational Media Services/School Library	135,753	(4,800)	130,953	130,556	397
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	218,114	311	218,425	217,830	595
Salaries of Other Professional Staff	2,600	(1,560)	1,040		1,040
Salaries of Secretarial and Clerical Assistants	61,787	1,249	63,036	59,539	3,497
Supplies and Materials	4,300		4,300	3,371	829
Total Undistributed Expenditures - Support Services - School Administration	286,801	-	286,801	280,740	6,061
Undistributed Expenditures - Other Operations and Maintenance of Plant:					
Undistributed Expenditures - Security:					
Salaries	35,962		35,962	35,892	70
General Supplies	500		500	457	43
Total Undistributed Expenditures - Security	36,462		36,462	36,349	113
Total Undistributed Expenditures - Other Operations and Maintenance of Plant					
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	36,462		36,462	36,349	113
Undistributed Expenditures - Student Transportation Services:					
Contractual Services (Other than Between Home and School) - Vendor	8,045	500	8,545	8,031	514
Total Undistributed Expenditures - Student Transportation Services	8,045	500	8,545	8,031	514
UNALLOCATED BENEFITS:					
Health Benefits	865,288	(44,600)	820,688	819,960	728
TOTAL UNALLOCATED BENEFITS	865,288	(44,600)	820,688	819,960	728
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS					
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS	865,288	(44,600)	820,688	819,960	728
TOTAL UNDISTRIBUTED EXPENDITURES	1,450,144	(48,900)	1,401,244	1,393,292	7,952
TOTAL GENERAL CURRENT EXPENSE	3,345,447	-	3,345,447	3,279,177	66,270
School-Based Expenditures	3,345,447	-	3,345,447	3,279,177	66,270
Other Financing Sources:					
Operating Transfer In	3,345,310		3,345,310	3,279,046	66,264
Total Other Financing Sources	3,345,310		3,345,310	3,279,046	66,264
Excess (Deficiency) of Other Financing Sources Over/(Under)					
Expenditures and Other Financing Sources	(137)		(137)	(131)	6
Fund Balance, July 1	137		137	137	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 6	\$ 6

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
HEYWOOD AVENUE SCHOOL					
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	194,706	(7,410)	187,288	187,288	
Grades 1-5 - Salaries of Teachers	722,456		722,455	722,455	
Grades 6-8 - Salaries of Teachers	519,994	(22,071)	497,883	497,221	662
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	91,740	(7,065)	84,675	84,674	
Purchased Professional/Educational Services	15,000	(15,000)			
Purchased Technical Services		73,635	73,635	15,000	58,635
General Supplies	25,321		25,321	23,709	1,612
Textbooks	13,750		13,750	13,750	
Other Objects	1,380		1,380		
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,564,306	22,081	1,606,387	1,545,477	60,910
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	61,408	(469)	60,939	59,090	1,849
Other Salaries for Instruction	1,500	469	1,969	1,950	19
General Supplies	3,000		3,000	2,926	74
Total Learning and/or Language Disabilities	65,908		65,908	63,966	1,942
Multiple Disabilities:					
Salaries of Teachers	116,142		116,142	112,975	3,167
Other Salaries for Instruction	92,100		92,100	90,354	1,746
General Supplies	3,980		3,980	3,741	239
Total Multiple Disabilities	212,222		212,222	207,070	5,152
Resource Room/Resource Center:					
Salaries of Teachers	187,280	(6,953)	178,327	178,327	
Other Salaries for Instruction	64,324	1,077	65,401	65,401	
General Supplies	5,000		5,000	4,800	140
Total Resource Room/Resource Center	256,604	(7,876)	248,728	248,588	140
TOTAL SPECIAL EDUCATION - INSTRUCTION	534,734	(7,876)	526,858	519,624	7,234
Bilingual Education - Instructors:					
Salaries of Teachers	84,745	(4,853)	79,892	78,107	1,785
General Supplies	3,500		3,500	3,500	
Total Bilingual Education - Instructors	88,245	(4,853)	83,392	81,607	1,785
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	16,800	(4,882)	11,918	11,917	1
Total School-Sponsored Cocurricular Activities - Instruction	16,800	(4,882)	11,918	11,917	1
Total Instruction	2,224,085	4,470	2,228,555	2,158,625	69,930
Undistributed Expenditures - Attendance and Social Work:					
Salaries of Family Support Teams	54,906		54,906	54,704	202
Total Undistributed Expenditures - Attendance and Social Work	54,906		54,906	54,704	202
Undistributed Expenditures - Health Services:					
Salaries	86,613		86,613	86,613	
Supplies and Materials	400		400	400	
Total Undistributed Expenditures - Health Services	87,013		87,013	87,013	
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries	52,805		52,805	52,603	202
Salaries of Technology Coordinators	66,094		66,094	68,094	
Supplies and Materials	61,798		61,798	61,563	235
Total Undistributed Expenditures - Educational Media Services/School Library	180,697		180,697	180,260	437
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	224,260	(2,514)	221,746	221,741	5
Salaries of Secretarial and Clerical Assistants	89,126	(3,456)	85,670	93,394	2,276
Supplies and Materials	4,200		4,200	4,147	53
Total Undistributed Expenditures - Support Services - School Administration	327,586	(5,970)	321,616	319,282	2,334
Undistributed Expenditures - Other Operations and Maintenance of Plant:					
Undistributed Expenditures - Security:					
Salaries	55,905		55,905	55,706	199
General Supplies	400		400	391	9
Total Undistributed Expenditures - Security	56,305		56,305	56,097	208
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	56,305		56,305	56,097	208
Undistributed Expenditures - Student Transportation Services:					
Contract Services (Other than Between Home and School) - Vendor	260	1,500	1,760	957	603
Total Undistributed Expenditures - Student Transportation Services	260	1,500	1,760	957	603
UNALLOCATED BENEFITS:					
Health Benefits	1,121,265		1,121,265	1,121,265	
TOTAL UNALLOCATED BENEFITS	1,121,265		1,121,265	1,121,265	
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS	1,121,265		1,121,265	1,121,265	
TOTAL UNDISTRIBUTED EXPENDITURES	1,823,032	(4,470)	1,823,562	1,819,576	3,964
TOTAL GENERAL CURRENT EXPENSE	4,052,117		4,052,117	3,978,203	73,914
School-Based Expenditures	4,052,117		4,052,117	3,978,203	73,914
Other Financing Sources:					
Operating Transfer In	4,035,988		4,035,988	3,965,212	70,776
Total Other Financing Sources	4,035,988		4,035,988	3,965,212	70,776
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing Sources	(16,129)		(16,129)	(12,891)	3,138
Fund Balance, July 1	16,129		16,129	16,129	
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 3,138	\$ 3,138

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
OAKWOOD AVENUE SCHOOL					
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 114,569	\$	\$ 114,569	\$ 114,569	\$
Grades 1-5 - Salaries of Teachers	491,431		491,431	491,431	
Grades 6-8 - Salaries of Teachers	376,989		376,989	376,989	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	52,498	(4,500)	47,998	47,898	
Purchased Professional-Educational Services	15,970	16,320	32,290	32,290	
Other Purchased Services (400-500 Series)	1,000		1,000		1,000
General Supplies	30,515	(4,208)	26,307	25,165	1,142
Textbooks	19,162	(2,669)	16,493	15,341	1,152
Other Objects	2,500	(2,500)			
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,104,634	2,443	1,107,077	1,103,783	3,294
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	54,471		54,471	54,471	
General Supplies	1,000	80	1,080	734	346
Total Learning and/or Language Disabilities	55,471	80	55,551	55,205	346
Multiple Disabilities:					
Salaries of Teachers	214,288	(4,958)	209,330	209,261	69
Other Salaries for Instruction	130,093	4,958	135,051	135,051	
Other Purchased Services (400-500 Series)	1,000		1,000	243	757
General Supplies	2,200		2,200	1,270	930
Total Multiple Disabilities	347,581	-	347,581	345,825	1,756
Resource Room/Resource Center:					
Salaries of Teachers	55,332		55,332	55,332	
General Supplies	1,000	(1,000)			
Textbooks	1,000	(1,000)			
Total Resource Room/Resource Center	57,332	(2,000)	55,332	55,332	
TOTAL SPECIAL EDUCATION - INSTRUCTION	400,384	(1,920)	458,464	456,362	2,102
Bilingual Education - Instruction:					
Salaries of Teachers	89,328		89,328	88,328	1,000
General Supplies	1,000		1,000	754	246
Total Bilingual Education - Instruction	90,328	-	90,328	89,082	1,246
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	11,655		11,655	11,655	
Purchased Services (300-500 Series)	6,000	(4,029)	1,971	1,971	
Supplies and Materials	13,950		13,950	11,944	2,006
Other Objects		451	451	278	173
Total School-Sponsored Cocurricular Activities - Instruction	31,605	(3,578)	28,027	25,846	2,181
Before/After School Programs - Instruction:					
Supplies and Materials	300		300	300	
Total Before/After School Programs - Instruction	300	-	300	300	-
Total Instruction	1,889,251.00	(3,055)	1,883,196	1,875,073	8,123
Undistributed Expenditures - Health Services:					
Salaries	86,213		86,213	84,860	1,353
Purchased Professional and Technical Services	500		500		500
Supplies and Materials	1,000		1,000	856	144
Total Undistributed Expenditures - Health Services	87,713	-	87,713	85,716	1,997
Undistributed Expenditures - Other Supp. Serv. Students - Guidance:					
Salaries of Other Professional Staff	96,189		96,189	96,189	
Supplies and Materials	1,000		1,000	988	12
Total Undistributed Expenditures - Other Supp. Serv. Students - Guidance	97,189	-	97,189	97,177	12
Undistributed Expenditures - Improvement of Inst. Serv.:					
Purchased Professional - Educational Services	2,800		2,800	2,711	89
Supplies and Materials	1,575		1,575	325	1,250
Total Undistributed Expenditures - Improvement of Inst. Serv.	4,375	-	4,375	3,036	1,339
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries	29,981		29,981	29,981	
Salaries of Technology Coordinators	100,934		100,934	100,934	
Supplies and Materials	10,121	(1,443)	8,678	8,607	71
Total Undistributed Expenditures - Educational Media Services/School Library	141,036	(1,443)	139,593	139,522	71
Undistributed Expenditures - Instructional Staff Training Services:					
Supplies and Materials	2,000		2,000	1,980	20
Total Undistributed Expenditures - Instructional Staff Training Services	2,000	-	2,000	1,980	20
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals/ Program Directors	123,784		123,784	123,784	
Salaries of Secretarial and Clerical Assistants	44,340	4,500	48,840	48,840	
Other Purchased Services (400-500 Series)	800		800	728	72
Supplies and Materials	2,600		2,600	2,108	492
Total Undistributed Expenditures - Support Services - School Administration	171,524	4,500	176,024	175,460	564
Undistributed Expenditures - Other Operations and Maintenance of Plant:					
General Supplies	500	(500)			
Undistributed Expenditures - Security:					
Salaries	37,670		37,670	37,670	
General Supplies	566	498	1,064	732	332
Total Undistributed Expenditures - Security	38,236	498	38,734	38,402	332
Undistributed Expenditures - Other Operations and Maintenance of Plant					
Sal for Pupil Trans (Other than Bet. Home & Sch)	22,000		22,000	20,260	1,740
Total Undistributed Expenditures - Student Transportation Services	22,000	-	22,000	20,260	1,740
UNALLOCATED BENEFITS:					
Health Benefits	723,684		723,684	723,684	
TOTAL UNALLOCATED BENEFITS	723,684	-	723,684	723,684	-
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS					
	723,684		723,684	723,684	
TOTAL UNDISTRIBUTED EXPENDITURES	1,289,237	3,055	1,291,312	1,285,237	6,075
TOTAL GENERAL CURRENT EXPENSE	2,974,508	-	2,974,508	2,980,310	14,198
School-Based Expenditures	2,974,508	-	2,974,508	2,980,310	14,198

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>OAKWOOD AVENUE SCHOOL</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Financing Sources:					
Operating Transfer In	\$ 2,957,892	\$ -	\$ 2,957,892	\$ 2,970,526	\$ (12,634)
Total Other Financing Sources	<u>2,957,892</u>	<u>-</u>	<u>2,957,892</u>	<u>2,970,526</u>	<u>(12,634)</u>
Excess (Deficiency) of Other Financing Sources Over/(Under) Expenditures and Other Financing Sources	(16,816)	-	(16,816)	10,216	26,832
Fund Balance, July 1	<u>16,816</u>	<u>-</u>	<u>16,816</u>	<u>16,816</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,832</u>	<u>\$ 26,832</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
PARK AVENUE SCHOOL					
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 156,821	\$	\$ 156,821	\$ 156,821	\$
Grades 1-5 - Salaries of Teachers	1,074,448		1,074,448	1,074,448	
Grades 6-8 - Salaries of Teachers	490,360		490,360	490,360	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	42,518		42,518	42,518	
Other Purchased Services (400-500 Series)	4,800	1,244	6,044	4,800	1,244
General Supplies	33,412	6,880	40,092	36,220	1,872
Textbooks	42,200	(17,850)	24,350	24,100	250
Other Objects	27,975	11,460	39,435	39,335	100
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,872,532	1,534	1,874,066	1,870,600	3,466
Learning and/or Language Disabilities:					
Salaries of Teachers	56,906		56,906	56,906	
Other Salaries for Instruction	20,095	1,440	21,535	21,115	420
Other Purchased Services (400-500 Series)	1,000		1,000	999	1
General Supplies	1,801		1,691	1,546	55
Total Learning and/or Language Disabilities	79,802	1,440	81,042	80,566	476
Multiple Disabilities:					
Salaries of Teachers	58,194		58,194	58,194	
Other Salaries for Instruction	20,311		20,311	20,311	
Other Purchased Services (400-500 Series)	2,000		2,000	1,746	254
General Supplies	1,555		1,555	1,555	
Textbooks	1,000		1,000		1,000
Other Objects	365		365	365	
Total Multiple Disabilities	83,425		83,425	82,171	1,254
Resource Room/Resource Center:					
Salaries of Teachers	171,843	(719)	170,924	170,920	4
Other Salaries for Instruction	700	(345)	355	75	280
Purchased Professional-Educational Services	1,000		1,000	991	9
General Supplies	300		300	300	
Other Objects	1,000		1,000	1,000	
Total Resource Room/Resource Center	174,843	(1,064)	173,579	173,286	293
Autism:					
Salaries of Teachers	263,693	(10,418)	253,275	253,247	28
Other Salaries for Instruction	182,794	9,216	192,010	191,730	280
Other Purchased Services (400-500 Series)	2,000		2,000	2,000	
General Supplies	3,280		3,280	3,126	154
Textbooks	1,500		1,500	748	752
Other Objects	-		-	-	-
Total Autism	453,237	(1,202)	452,037	450,651	1,386
Preschool Disabilities - Full-Time:					
Salaries of Teachers					
Other Salaries for Instruction					
General Supplies	1,750	270	2,020	2,020	
Other Objects	1,068		1,068	1,068	
Total Preschool Disabilities - Full-Time	2,818	270	3,088	3,088	-
TOTAL SPECIAL EDUCATION - INSTRUCTION	793,723	(554)	793,169	789,980	3,209
Bilingual Education - Instruction:					
Salaries of Teachers	83,859		83,859	83,859	
General Supplies	1,000		1,000	1,000	
Total Bilingual Education - Instruction	84,859		84,859	84,859	
School-Sponsored Co-curricular Activities - Instruction:					
Salaries	10,520		10,520	10,508	11
Purchased Services (300-500 Series)	325		325	325	
Supplies and Materials	8,000		8,000	7,100	900
Total School-Sponsored Co-curricular Activities - Instruction	18,845		18,845	17,934	911
Total Instruction	2,769,959	680	2,770,639	2,763,353	7,286
Undistributed Expenditures - Attendance and Social Work:					
Salaries of Family Support Teams	54,908		54,908	54,900	8
Supplies and Materials	980	72	1,052	962	118
Total Undistributed Expenditures - Attendance and Social Work	55,814	72	55,888	55,788	118
Undistributed Expenditures - Health Services:					
Salaries	92,645	(1,553)	91,392	91,391	1
Purchased Professional and Technical Services					
Supplies and Materials	1,000		1,000	999	1
Other Objects	185		185	185	
Total Undistributed Expenditures - Health Services	94,110	(1,553)	92,557	92,554	3
Undistributed Expenditures - Other Supp. Serv. Students - Guidance:					
Other Purchased Professional and Technical Services	200		200	200	
Other Purchased Services (400-500 Series)		200	300	300	
Supplies and Materials	300	(300)			
Total Undistributed Expend. - Other Supp. Serv. Students - Guidance	500	-	500	500	-
Undistributed Expenditures - Improvement of Inst. Services:					
Salaries of Supervisor of Instruction	700		700	700	
Supplies and Materials	1,000		1,000	1,000	
Total Undistributed Expenditures - Improvement of Inst. Services	1,700		1,700	1,700	
Undistributed Expenditures - Edu. Media Serv./School Library:					
Salaries	67,170		67,170	67,170	
Salaries of Technology Coordinators	102,368		102,368	102,368	
Purchased Professional and Technical Services					
Supplies and Materials	6,613		6,613	6,043	570
Other Objects	5,730		5,730	5,370	360
Total Undistributed Expenditures - Edu. Media Serv./School Library	181,881		181,881	180,951	930
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	239,286		239,286	238,700	586
Salaries of Secretarial and Clerical Assistants	108,406		108,406	108,406	
Other Purchased Services (400-500 Series)	3,000		3,000	3,000	
Supplies and Materials	425		425	425	
Other Objects	1,203		1,203	1,203	
Total Undistributed Expenditures - Support Services - School Administration	352,320		352,320	351,734	586
Undistrib. Expend. - Allowance for Maintenance of School Facilities					
General Supplies	300		300	289	31
Undistributed Expenditures - Security:					
Salaries	59,641		59,641	59,641	
Total Undistributed Expenditures - Security	59,641		59,641	59,641	
Total Undistributed Expenditures - Other Oper. and Maint. of Plant	59,641		59,641	59,910	-269
Undistributed Expenditures - Student Transportation Services:					
Contract Services (Other than Between Home and School) - Vendor	8,886	500	9,386	8,067	819
Total Undistrib. Expend. - Student Transportation Serv.	8,886	500	9,386	8,067	819

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>PARK AVENUE SCHOOL</u>					
UNALLOCATED BENEFITS:					
Health Benefits	\$ 1,229,770	\$ 1	\$ 1,229,771	\$ 1,229,771	\$
TOTAL UNALLOCATED BENEFITS	1,229,770	1	1,229,771	1,229,771	
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS	1,229,770	1	1,229,771	1,229,771	
TOTAL UNDISTRIBUTED EXPENDITURES	1,984,422	(880)	1,983,442	1,983,815	2,827
TOTAL GENERAL CURRENT EXPENSE	4,754,381	-	4,754,381	4,744,168	10,213
School-Based Expenditures	4,754,381		4,754,381	4,744,168	10,213
Other Financing Sources:					
Operating Transfer In	4,745,080		4,745,080	4,735,405	9,675
Total Other Financing Sources	4,745,080		4,745,080	4,735,405	9,675
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing Sources	(9,301)		(9,301)	(8,703)	538
Fund Balance, July 1	9,301		9,301	9,301	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 538	\$ 538

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

D-3n
 Sheet #2

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
ORANGE PREP ACADEMY					
School-Based Expenditures	\$ 7,369,980	\$ -	\$ 7,369,980	\$ 7,320,430	\$ 49,550
Other Financing Sources:					
Operating Transfer In	7,180,309		7,180,309	7,142,679	37,633
Total Other Financing Sources	<u>7,180,309</u>	<u>-</u>	<u>7,180,309</u>	<u>7,142,679</u>	<u>37,633</u>
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing Sources	(189,671)	-	(189,671)	(177,754)	11,917
Fund Balance, July 1	<u>189,671</u>	<u>-</u>	<u>189,671</u>	<u>189,671</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,917</u>	<u>\$ 11,917</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ORANGE HIGH SCHOOL					
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 3,922,472	\$ (892)	\$ 3,921,580	\$ 3,921,413	\$ 167
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	144		144		144
Purchased Professional-Educational Services	15,900	45,361	60,361	25,410	34,951
Purchased Technical Services	12,800	(870)	11,930	11,930	
General Supplies	148,567	(22,027)	126,540	104,216	22,324
Textbooks	28,075	(4,500)	23,575	23,575	
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,127,958	17,072	4,144,130	4,085,544	57,585
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	59,868	(1,063)	58,805	58,729	86
Other Salaries for Instruction	53,241	800	54,041	54,041	
Other Purchased Services (400-500 Series)	4,000		4,000	2,997	1,003
General Supplies	9,000	(1,466)	7,514	6,516	998
Textbooks	9,000	(4,000)	5,000	4,517	483
Other Objects	500		500		500
Total Learning and/or Language Disabilities	135,629	(5,749)	129,880	126,800	3,080
Resource Room/Resource Center:					
Salaries of Teachers	691,845	(1,200)	690,645	680,540	105
Other Salaries for Instruction	75,026	(3,000)	72,026	72,026	
Purchased Professional-Educational Services	2,250		2,250	1,000	1,250
General Supplies	14,418	(6,000)	8,418	7,166	1,252
Total Resource Room/Resource Center	773,539	(10,200)	763,339	760,732	2,607
Autism:					
Salaries of Teachers	126,075	(22,324)	103,751	103,674	77
Other Salaries for Instruction	70,958	13,464	84,422	84,422	
General Supplies	7,200	(1,334)	5,866	4,600	1,266
Total Autism	204,233	(10,194)	194,039	192,696	1,343
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,113,401	(26,143)	1,087,256	1,080,228	7,031
Bilingual Education - Instruction:					
Salaries of Teachers	376,285		376,285	376,285	
Other Purchased Services (400-500 Series)	4,000		4,000	3,975	25
General Supplies	13,789	(6,000)	7,789	5,493	2,296
Textbooks	4,000	(1,000)	3,000	3,000	
Total Bilingual Education - Instruction	398,074	(7,000)	391,074	388,753	2,321
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	54,263		54,263	54,263	
Purchased Services (300-500 Series)	6,750		6,750	6,737	13
Supplies and Materials	8,000		8,000	7,049	951
Total School-Sponsored Cocurricular Activities - Instruction	69,013		69,013	68,049	964
Before/After School Programs - Instruction:					
Purchased Services (400-500 Series)	7,000		7,000	6,966	34
Supplies and Materials	-	750	750	750	
Total Before/After School Programs - Instruction:	7,000	750	7,750	7,716	34
Total Instruction	5,714,646	(15,321)	5,699,325	5,631,280	67,935
Undistributed Expenditures - Attendance and Social Work:					
Salaries	181,435	(1,807)	179,628	179,628	
Supplies and Materials	1,000		1,000		1,000
Total Undistributed Expenditures - Attendance and Social Work:	182,435	(1,807)	180,628	179,628	1,000
Undistributed Expenditures - Health Services:					
Salaries	97,052		97,052	97,052	
Supplies and Materials	2,500	(711)	1,789	1,386	403
Total Undistributed Expenditures - Health Services	99,552	(711)	98,841	98,438	403
Undistributed Expenditures - Other Supp. Services Students - Guidance:					
Salaries of Other Professional Staff	237,598		237,598	237,598	
Purchased Professional and Educational Services	6,000		6,000	6,000	
Supplies and Materials	11,882	227	12,109	11,975	134
Total Undistributed Expenditures - Other Supp. Services Students - Guidance	255,480	227	255,707	255,573	134
Undist. Expend. - Improvement of Inet. Serv.:					
Salaries of Supervisor of Instruction	19,040	(3,160)	15,880	15,859	21
Supplies and Materials	1,000		1,000	1,000	
Total Undist. Expend. - Improvement of Inet. Serv.	20,040	(3,160)	16,880	16,859	21
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries	56,052		56,052	55,158	894
Salaries of Technology Coordinators	62,232		62,232	62,232	
Supplies and Materials	17,308	(1,723)	15,585	14,766	819
Other Objects	5,700	(5,700)			
Total Undistributed Expenditures - Educational Media Services/School Library	141,292	(7,423)	133,869	132,156	1,713
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals/ Program Directors	433,308	(4,941)	428,367	428,367	
Salaries of Secretarial and Clerical Assistants	133,507	2,994	136,501	136,501	
Purchased Professional and Technical Services	3,000	(1,700)	1,300	1,300	
Supplies and Materials	13,052	1,163	14,215	12,264	1,951
Other Objects	100	(100)			
Total Undistributed Expenditures - Support Services - School Administration	582,967	(2,584)	580,383	578,432	1,951
Undist. Expend. - Allowance for Maintenance of School Facilities:					
General Supplies	4,000	(1,452)	2,548	2,270	278
Total Undist. Expend. - Allowance for Maintenance of School Facilities	4,000	(1,452)	2,548	2,270	278
Undistributed Expenditures - Security:					
Salaries	306,840		306,840	306,840	
Total Undistributed Expenditures - Security	306,840		306,840	306,840	
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	310,840	(1,452)	309,388	309,110	278
Undistributed Expenditures - Student Transportation Services:					
Contract Services (Other than Between Home and School) - Vendor	14,941	32,231	47,172	37,322	9,850
Total Undistributed Expenditures - Student Transportation Services	14,941	32,231	47,172	37,322	9,850

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
DRANGE HIGH SCHOOL					
UNALLOCATED BENEFITS:					
Health Benefits	\$ 2,580,129	\$ -	\$ 2,580,129	\$ 2,580,129	\$ -
TOTAL UNALLOCATED BENEFITS	2,580,129	-	2,580,129	2,580,129	-
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS	2,580,129	-	2,580,129	2,580,129	-
TOTAL UNDISTRIBUTED EXPENDITURES	4,167,576	15,321	4,202,897	4,167,647	15,350
TOTAL GENERAL CURRENT EXPENSE	9,902,222	-	9,902,222	9,818,937	83,285
School-Based Expenditures	9,902,222	-	9,902,222	9,818,937	83,285
Other Financing Sources:					
Operating Transfer In	9,896,835	-	9,896,835	9,835,163	61,672
Total Other Financing Sources	9,896,835	-	9,896,835	9,835,163	61,672
Excess (Deficiency) of Other Financing Sources Over(Under) Expenditures and Other Financing Sources (Uses)	(5,587)	-	(5,587)	16,216	21,803
Fund Balance, July 1	5,587	-	5,587	5,587	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 21,803	\$ 21,803

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ROSA PARKS ELEMENTARY SCHOOL					
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 383,261		\$ 383,261	\$ 382,451	\$ 810
Grades 1-5 - Salaries of Teachers	2,007,574		2,007,574	2,004,410	3,164
Grades 6-8 - Salaries of Teachers	1,058,828		1,058,828	1,058,544	284
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	114,771	(4,000)	110,771	110,494	277
Purchased Professional-Educational Services	3,000	(3,000)			
Other Purchased Services (400-500 Series)	2,000		2,000	1,447	553
General Supplies	182,314		182,314	180,825	1,489
Other Objects	20,000		20,000	3,032	16,968
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,771,748	(7,000)	3,764,748	3,741,203	23,545
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	56,624	(395)	56,229	55,915	314
Other Salaries for Instruction	31,445	395	31,840	31,840	
Purchased Professional-Educational Services	1,000		1,000	370	630
Other Purchased Services (400-500 series)	1,200		1,200	1,180	40
General Supplies	5,000		5,000	5,000	
Textbooks	1,500		1,500		1,500
Other Objects	4,000		4,000	3,697	303
Total Learning and/or Language Disabilities	100,769	-	100,769	97,982	2,787
Resource Room/Resource Center:					
Salaries of Teachers	389,297	(18,481)	370,816	370,811	5
Other Salaries for Instruction	81,056	18,481	79,536	79,536	
Purchased Professional-Educational Services		50,500	50,500		50,500
Other Purchased Services (400-500 series)	3,000		3,000	2,985	35
General Supplies	10,000		10,000	10,000	
Textbooks	2,500	(2,500)			
Other Objects	5,000		5,000	5,000	
Total Resource Room/Resource Center	470,852	48,000	518,852	468,312	50,540
TOTAL SPECIAL EDUCATION - INSTRUCTION	571,621	48,000	619,621	566,294	53,327
Bilingual Education - Instruction:					
Salaries of Teachers	515,327	(1,347)	513,980	508,571	5,409
Other Salaries for Instruction	59,426	1,347	60,773	65,654	5,119
Purchased Professional-Educational Services	1,200		1,200	122	1,078
Purchased Technical Services	500		500		500
Other Purchased Services (400-500 series)	4,200	(4,200)			
General Supplies	12,100		12,100	11,893	207
Textbooks	8,000	(8,000)			
Other Objects	7,728		7,728		
Total Bilingual Education - Instruction	608,481	(12,200)	596,281	583,968	12,313
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	11,590	100	11,690	3,885	7,805
Purchased Services (300-500 Series)	14,246	(11,600)	2,646	1,058	1,588
Supplies and Materials	6,250		6,250	5,441	809
Total School-Sponsored Cocurricular Activities - Instruction	32,086	(11,500)	20,586	10,384	10,202
School-Sponsored Athletics - Instruction:					
Supplies and Materials	500		500	500	
Total School-Sponsored Athletics - Instruction	500	-	500	500	-
Before/After School Programs - Instruction:					
Supplies and Materials	20,000		20,000	19,999	1
Total Before/After School Programs - Instruction:	20,000	-	20,000	19,999	1
Total Instruction	5,064,438	17,300	5,021,738	4,922,348	99,388
Undistributed Expenditures - Attendance and Social Work:					
Supplies and Materials	1,541		1,541	1,541	
Total Undistributed Expenditures - Attendance and Social Work	1,541	-	1,541	1,541	-
Undistributed Expenditures - Health Services:					
Salaries	124,648	(6,100)	118,548	118,529	19
Purchased Professional and Technical Services	400		400		400
Supplies and Materials	2,910		2,910	2,905	5
Total Undistributed Expenditures - Health Services	127,958	(6,100)	121,858	121,434	424
Undistributed Expenditures - Other Support Services Students - Guidance:					
Salaries of Other Professional Staff	141,822		141,822	141,822	
Total Undistributed Expenditures - Other Support Services Students - Guidance	141,822	-	141,822	141,822	-
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries	86,613	(4,900)	81,713	81,676	35
Salaries of Technology Coordinators	193,116		193,116	193,116	
Supplies and Materials	18,199		18,199	18,199	
Other Objects	10,000		10,000	10,000	
Total Undistributed Expenditures - Educational Media Services/School Library	307,928	(4,900)	303,028	302,993	35
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	447,047	(14,000)	433,047	430,033	3,014
Salaries of Secretarial and Clerical Assistants	135,537	(5,000)	130,537	130,389	148
Purchased Professional and Technical Services	450		450		450
Supplies and Materials	11,530		11,530	8,642	2,888
Total Undistributed Expenditures - Support Services - School Administration	594,564	(19,000)	575,564	569,264	6,300
Undist. Expend. - Allowance for Maintenance of School Facilities:					
Salaries of Noninstructional Aides	6,000		6,000	5,139	861
General Supplies	600		600	600	
Total Undistributed Expenditures - Other Operations and Maintenance of Plant:	6,600	-	6,600	5,739	861
Undistributed Expenditures - Security:					
Salaries	149,017		149,017	149,017	
Total Undistributed Expenditures - Security	149,017		149,017	149,017	
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	155,617	-	155,617	154,756	861
Undistributed Expenditures - Student Transportation Services:					
Sal for Pupil Trans (Other than Sch. Home & Sch)	11,881	14,700	26,581	21,939	4,642
Total Undistributed Expenditures - Student Transportation Services	11,881	14,700	26,581	21,939	4,642
UNALLOCATED BENEFITS:					
Health Benefits	1,962,379	(2,000)	1,960,379	1,960,379	
TOTAL UNALLOCATED BENEFITS	1,962,379	(2,000)	1,960,379	1,960,379	-
TOTAL PENSION SERVICES - EMPLOYEE BENEFITS					
	1,962,379	(2,000)	1,960,379	1,960,379	-
TOTAL UNDISTRIBUTED EXPENDITURES	3,303,890	(17,300)	3,286,590	3,274,128	12,262
TOTAL GENERAL CURRENT EXPENSE	8,308,128	-	8,308,128	8,196,476	111,850

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>ROSA PARKS ELEMENTARY SCHOOL</u>					
School-Based Expenditures	\$ 8,308,126	\$ -	\$ 8,308,126	\$ 8,196,476	\$ 111,650
Other Financing Sources (Uses): Operating Transfer In	8,297,497		8,297,497	8,186,390	111,107
Total Other Financing Sources (Uses)	8,297,497		8,297,497	8,186,390	111,107
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing Sources (Uses)	(10,629)	-	(10,629)	(10,086)	543
Fund Balance, July 1	10,629	-	10,629	10,629	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 543	\$ 543

E. SPECIAL REVENUE FUND

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

E-1

	Title I		Title II		Immigrant 2016-2017	Title IV Part A 2017-2018	IDEA Basic 2017-2018	IDEA Preschool 2017-2018	Preschool Education Aid	Totals 2018
	2017-2018	2017-2018	Part A 2017-2018	Immigrant 2017-2018						
REVENUE										
Federal Sources	\$ 2,189,352	\$ 277,784	\$ 113,571	\$ 27,839	\$ 2,468	\$ 18,142	\$ 1,354,079	\$ 43,667	\$	\$ 4,519,363
State Sources									10,106,953	10,206,672
Local Sources										289,458
Total Revenue	\$ 2,189,352	\$ 277,784	\$ 113,571	\$ 27,839	\$ 2,468	\$ 18,142	\$ 1,354,079	\$ 43,667	\$ 10,106,953	\$ 15,035,493
EXPENDITURES										
Instruction:										
Salaries of Teachers	\$ 112,640	\$	\$ 105,500	\$	\$ 2,468	\$ 12,885	\$	\$	\$ 1,551,361	\$ 2,035,201
Other Salaries for Instruction									504,719	629,108
Unused Vacation Payment to Terminated /Retired Staff									10,000	10,000
Purchased Professional and Educational Services	186,207					1,197			50,000	237,404
Purchased Professional and Technical Services										115,726
Purchased Technical Services										
Other Purchased Services	18,936						554,566		16,361	592,363
Supplies and Materials	123,361			27,839			50,000	3,055		273,705
General Supplies							5,000		73,247	73,247
Other Objects	38,964									53,303
Total Instruction	480,108		105,500	27,839	2,468	14,082	609,566	3,055	2,205,888	4,020,057
Support Services:										
Salaries	246,590	17,000					112,182		119,289	692,550
Salaries of Principals/ Program Directors									538,589	538,589
Salaries of Other Professional Staff										
Salaries of Secretarial and Clerical Employees									54,708	54,708
Other Salaries									103,016	103,016
Salaries of Family/Parent Liaison and Community Parent Involvement Specialists									95,435	95,435
Salaries of Master Teachers									321,120	321,120
Unused Vacation Payment to Terminated /Retired Staff						985			10,000	10,985
Employee Benefits	41,468	1,300	6,071				31,411		858,195	975,279
Purchased Professional and Technical Services - Contracted Pre-K									5,132,937	5,132,937
Purchased Professional-Educational Services									26,244	76,585
Purchased Professional and Technical Services	43,455					3,075	570,000	24,426		668,456
Other Purchased Professional Services									11,871	17,060
Other Purchased Services	6,861						10,000	9,000		31,861
Cleaning, Repairs and Maintenance Services									124,996	124,996
Rentals									410,000	410,000
Contractual Services (Field Trips)									11,644	11,644
Travel									9,423	10,649
Supplies and Materials	22,556	2,969					20,000	7,186	15,620	72,048
Other Objects							920		7,127	12,832
Salaries of Security									34,149	34,149
Total Support Services	360,928	21,269	8,071			4,060	744,513	40,612	7,894,563	9,404,899
Facilities Acquisition and Construction Services:										
Instructional Equipment									6,602	25,706
Total Facilities Acquisition and Construction Services									6,602	25,706
Total Expenditures	841,036	21,269	113,571	27,839	2,468	18,142	1,354,079	43,667	10,106,953	13,450,662
Excess (Deficiency) of Revenues Over/(Under) Expenditures	1,328,316	256,515	-	-	-	-	-	(0)	-	1,584,831
Other Financing Sources (Uses):										
Transfer in from General Fund										
Contribution to School-Based Budgets	(1,328,316)	(256,515)								(1,584,831)
Total Other Financing Sources (Uses)	(1,328,316)	(256,515)	-	-	-	-	-	-	-	(1,584,831)
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)	\$ -	\$ (0)

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Career Pathways Program 2017-2018	Career Pathways Program 2018-2018	Robert Woods Johnson Program	Montclair State Program	Montclair State Summer Program	Title IV Part B 2016-2017	Title IV Part B 2017-2018	Page Total
REVENUE								
Federal Sources	\$	\$	\$	\$	\$	\$ 4,506	\$ 527,955	\$ 532,461
State Sources	32,667	67,052						99,719
Local			80,490	152,039	56,929			289,458
Total Revenue	<u>\$ 32,667</u>	<u>\$ 67,052</u>	<u>\$ 80,490</u>	<u>\$ 152,039</u>	<u>\$ 56,929</u>	<u>\$ 4,506</u>	<u>\$ 527,955</u>	<u>\$ 921,638</u>
EXPENDITURES								
Instruction:								
Salaries of Teachers	\$	\$ 18,870	\$	\$ 31,812	\$ 50,825	\$ 4,506	\$ 195,159	\$ 250,347
Other Salaries for Instruction				73,564				124,389
Purchased Professional and Technical Services							115,726	115,726
Purchased Professional and Educational Services								
Purchased Technical Services								
Other Purchased Services		2,500						2,500
Tuition								
Supplies and Materials	3,859	25,506		326	6,104		33,655	69,450
General Supplies								
Other Objects	5,700						3,639	9,339
Total Instruction	<u>9,559</u>	<u>48,876</u>		<u>105,702</u>	<u>56,929</u>	<u>4,506</u>	<u>348,179</u>	<u>571,751</u>
Support Services:								
Salaries		13,545	60,644				123,200	197,389
Salaries of Principals/Program Directors								
Salaries of Other Professional Staff								
Salaries of Secretarial and Clerical Employees								
Other Salaries								
Salaries of Family/Parent Liaison and Community Parent Involvement Specialists								
Coaches and Master Teachers								
Employee Benefits		2,481	8,000				24,355	34,836
Purchased Professional and Technical Services - Contracted Pre-K								
Purchased Professional-Educational Services	4,004			46,337				50,341
Purchased Professional and Technical Services			2,500				25,000	27,500
Other Purchased Professional Services							5,189	5,189
Other Purchased Services			6,000					6,000
Cleaning, Repairs and Maintenance Services								
Rentals								
Contractual Services (Field Trips)								
Travel							1,226	1,226
Miscellaneous Purchased Services								
Supplies and Materials			2,711				806	3,517
General Supplies								
Other Object		4,150	635					4,785
Salaries of Security								
Total Support Services	<u>4,004</u>	<u>20,176</u>	<u>80,490</u>	<u>46,337</u>			<u>179,776</u>	<u>330,783</u>
Facilities Acquisition and Construction Services:								
Instructional Equipment	19,104							19,104
Total Facilities Acquisition and Construction Services	<u>19,104</u>							<u>19,104</u>
Total Expenditures	<u>32,667</u>	<u>67,052</u>	<u>80,490</u>	<u>152,039</u>	<u>56,929</u>	<u>4,506</u>	<u>527,955</u>	<u>921,638</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures								
Other Financing Sources (Uses):								
Transfer in from General Fund								
Contribution to School-Based Budgets								
Total Other Financing Sources (Uses)								
Excess (Deficiency) of Revenues and Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
STATEMENT OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfers	2018 Final Budget	Actual	Variance
EXPENDITURES					
Instruction:					
Salaries of Teachers	\$ 1,582,148	\$ (30,000)	\$ 1,552,148	\$ 1,551,361	\$ 787
Other Salaries for Instruction	524,719	(20,000)	504,719	504,719	
Unused Vacation Payment to Terminated /Retired Staff	10,000		10,000	10,000	
Purchased Professional and Educational Services		50,000	50,000	50,000	
Other Purchased Services	50,000	(16,700)	33,300	16,361	16,939
General Supplies	75,000	16,700	91,700	73,247	18,453
Other Objects	25,000		25,000		25,000
	<u>2,266,867</u>		<u>2,266,867</u>	<u>2,205,688</u>	<u>61,179</u>
Support Services:					
Salaries of Principals/Program Directors	119,389		119,389	119,389	
Salaries of Other Professional Staff	539,244		539,244	538,589	655
Salaries of Secretarial and Clerical Assistants	57,152		57,152	54,708	2,444
Other Salaries	139,831	(34,150)	105,681	103,016	2,665
Salaries of Community Parent Involvement Specialists	96,660		96,660	95,435	1,225
Salaries of Master Teachers	332,559		332,559	331,120	1,439
Unused Vacation Payment to Terminated/Retired Staff	10,000		10,000	10,000	
Employee Benefits	858,195		858,195	858,195	
Purchased Educational Services - Contracted	3,952,640	1,663,200	5,615,840	5,132,937	482,903
Purchased Educational Services - Head Start	1,683,200	(1,663,200)			
Other Purchased Professional Educational Services	50,000		50,000	26,244	23,756
Other Purchased Professional Services	25,000		25,000	11,871	13,129
Cleaning, Repairs and Maintenance Services	125,000		125,000	124,996	4
Rentals	410,000		410,000	410,000	
Contracted Services (Field Trips)	20,000		20,000	11,644	8,356
Travel	12,000		12,000	9,423	2,577
Supplies and Materials	25,000		25,000	15,820	9,180
Other Objects	20,000		20,000	7,127	12,873
Salaries of Security	-	34,150	34,150	34,149	1
Total Support Services	<u>8,455,870</u>	<u>-</u>	<u>8,455,870</u>	<u>7,894,663</u>	<u>561,207</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	20,000		20,000	6,602	13,398
Noninstructional Equipment	16,087		16,087		16,087
Total Facilities Acquisition and Construction Services	<u>36,087</u>		<u>36,087</u>	<u>6,602</u>	<u>29,485</u>
Total Expenditures	<u>\$10,758,824</u>	<u>\$ -</u>	<u>\$10,758,824</u>	<u>\$10,106,953</u>	<u>\$651,871</u>
Calculation of Carryover					
Total 2017-18 Pre-K/ECPA Aid Allocation		\$10,228,680			
Add: Actual Pre-K/ECPA Aid Carryover June 30, 2017		514,859			
Total Funds Available for 2017-18 Budget		10,743,539			
Less: 2017-18 Budgeted ECPA (Including Prior Year Budgeted Carryover)		10,758,824			
Available and Unbudgeted ECPA Funds as of June 30, 2017		(15,285)			
Add: June 30, 2018 Unexpended Pre-K Aid		651,871			
2017-18 Actual Carryover - Pre-K Aid		<u>\$ 636,586</u>			
2017-18 Pre-K Aid Carryover Budgeted in 2018-19		<u>\$ 654,798</u>			

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
STATEMENT OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Program: Preschool - Full Day 3 Year and 4 Year

	2018				
	Original Budget	Budget Transfers	Final Budget	Actual	Variance
<u>Expenditures</u>					
Instruction:					
Salaries of Teachers	\$ 1,582,148	\$ (30,000)	\$ 1,552,148	\$ 1,551,361	\$ 787
Other Salaries for Instruction	524,719	(20,000)	504,719	504,719	
Unused Vacation Payment to Terminated/Retired Staff	10,000		10,000	10,000	
Purchased Professional and Educational Services		50,000	50,000	50,000	
Other Purchased Services	50,000	(16,700)	33,300	16,361	16,939
General Supplies	75,000	16,700	91,700	73,247	18,453
Other Objects	25,000		25,000		25,000
	<u>2,266,867</u>		<u>2,266,867</u>	<u>2,205,688</u>	<u>61,179</u>
Support Services:					
Salaries of Principals/Program Directors	119,389		119,389	119,389	
Salaries of Other Professional Staff	539,244		539,244	538,589	655
Salaries of Secretarial and Clerical Assistants	57,152		57,152	54,708	2,444
Other Salaries	139,831	(34,150)	105,681	103,016	2,665
Salaries of Community Parent Involvement Specialists	96,660		96,660	95,435	1,225
Salaries of Master Teachers	332,559		332,559	331,120	1,439
Unused Vacation Payment to Terminated/Retired Staff	10,000		10,000	10,000	
Employee Benefits	858,195		858,195	858,195	
Purchased Professional Educational Services - Contracted Pre-K	3,952,640	1,663,200	5,615,840	5,132,937	482,903
Purchased Professional Educational Services - Head Start	1,663,200	(1,663,200)			
Other Purchased Professional Educational Services	50,000		50,000	26,244	23,756
Other Purchased Professional Services	25,000		25,000	11,871	13,129
Cleaning, Repairs and Maintenance Services	125,000		125,000	124,996	4
Rentals	410,000		410,000	410,000	
Contracted Services (Field Trips)	20,000		20,000	11,644	8,356
Travel	12,000		12,000	9,423	2,577
Supplies and Materials	25,000		25,000	15,820	9,180
Other Objects	20,000		20,000	7,127	12,873
Salaries of Security		34,150	34,150	34,149	1
Total Support Services	<u>8,455,870</u>		<u>8,455,870</u>	<u>7,894,663</u>	<u>561,207</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	20,000		20,000	6,602	13,398
Noninstructional Equipment	16,087		16,087		16,087
Total Facilities Acquisition and Construction Services	<u>36,087</u>		<u>36,087</u>	<u>6,602</u>	<u>29,485</u>
Total Expenditures	<u>\$ 10,758,824</u>	<u>\$ -</u>	<u>\$ 10,758,824</u>	<u>\$ 10,108,953</u>	<u>\$ 651,871</u>

F. CAPITAL PROJECTS FUND

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2018</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Various Improvements					
Various School Buildings and Grounds	05/16/17	\$2,550,000	\$	\$ 561,833	\$ 1,988,167
Various School Buildings and Grounds	11/16/17	<u>1,194,000</u>	<u> </u>	<u>37,208</u>	<u>1,156,792</u>
		<u>\$3,744,000</u>	<u>\$ -</u>	<u>\$ 599,041</u>	<u>\$ 3,144,959</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Exhibit F-2

Revenues and Other Financing Sources:	
Note Proceeds	<u>\$1,194,000</u>
Total Revenues and Other Financing Sources	<u>1,194,000</u>
Expenditures and Other Financing Uses:	
Construction Services	552,485
Purchased Professional and Technical Services	76,556
Bond Cost	
Total Expenditures and Other Financing Uses	<u>629,041</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>564,959</u>
Net Change in Fund Balance/(Decrease)	564,959
Fund Balance, Beginning	<u>2,550,000</u>
Fund Balance, Ending	<u><u>\$3,114,959</u></u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
IMPROVEMENT TO VARIOUS SCHOOL BUILDINGS AND GROUNDS
FROM INCEPTION TO JUNE 30, 2018

Exhibit F-2a

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond Anticipation Proceeds	\$	<u>\$2,550,000</u>	<u>\$2,550,000</u>	<u>\$2,550,000</u>
Total Revenues		<u>2,550,000</u>	<u>2,550,000</u>	<u>2,550,000</u>
Expenditures and Other Financing Uses:				
Construction Services		529,152	529,152	2,420,000
Purchased Professional and Technical Services		32,681	32,681	130,000
Bond Cost				30,000
Total Expenditures		<u>561,833</u>	<u>561,833</u>	<u>2,550,000</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ -</u>	<u>\$1,988,167</u>	<u>\$1,988,167</u>	<u>\$ -</u>
Additional Project Information:				
Project Number		33-2017		
Bond Authorization Date		5/16/2017		
Bonds Authorized		\$ 2,550,000		
Original Authorized Cost		\$ 2,550,000		
Original Target Completion Date		6/30/2018		

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
IMPROVEMENT TO VARIOUS SCHOOL BUILDINGS AND GROUNDS
FROM INCEPTION TO JUNE 30, 2018

Exhibit F-2a (2)

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond Anticipation Proceeds	\$	<u>\$ 1,194,000</u>	<u>\$ 1,194,000</u>	<u>\$ 1,194,000</u>
Total Revenues		<u>1,194,000</u>	<u>1,194,000</u>	<u>1,194,000</u>
Expenditures and Other Financing Uses:				
Construction Services		23,333	23,333	1,105,000
Purchased Professional and Technical Services		43,875	43,875	75,000
Bond Cost			-	14,000
Total Expenditures		<u>67,208</u>	<u>67,208</u>	<u>1,194,000</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ -</u>	<u>\$ 1,126,792</u>	<u>\$ 1,126,792</u>	<u>\$ -</u>
Additional Project Information:				
Project Number		52-2017		
Bond Authorization Date		11/16/2017		
Bonds Authorized		\$1,194,000		
Original Authorized Cost		\$1,194,000		
Original Target Completion Date		6/30/2019		

G. PROPRIETARY FUNDS

ENTERPRISE FUND

INTERNAL SERVICE FUND

H. FIDUCIARY FUNDS

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
TRUST AND AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Trust</u>			<u>Agency</u>		
	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Fund</u>	<u>Total Trust Fund</u>	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Fund</u>
ASSETS						
Cash and Cash Equivalents	\$ 458,355	\$ 162,086	\$ 620,441	\$ 119,373	\$ 3,594,401	\$ 3,713,774
Intergovernmental Accounts Receivable: Local	_____	_____	_____	_____	718	718
Total Assets	<u>\$ 458,355</u>	<u>\$ 162,086</u>	<u>\$ 620,441</u>	<u>\$ 119,373</u>	<u>\$ 3,595,119</u>	<u>\$ 3,714,492</u>
LIABILITIES						
Accounts Payable	\$ 20,873	\$	\$ 20,873	\$	\$	\$
Payable to Student Groups	_____	_____	_____	119,373	_____	119,373
Payroll Deductions and Withholdings	_____	_____	_____	_____	3,595,119	3,595,119
Total Liabilities	<u>\$ 20,873</u>	<u>\$ -</u>	<u>\$ 20,873</u>	<u>\$ 119,373</u>	<u>\$ 3,595,119</u>	<u>\$ 3,714,492</u>
NET POSITION						
Held in Trust for Unemployment Claims and Other Purposes	\$ 437,482	\$	\$ 437,482	\$	\$	\$
Reserved for Scholarships	_____	162,086	162,086	_____	_____	_____
Total Net Position	<u>\$ 437,482</u>	<u>\$ 162,086</u>	<u>\$ 599,568</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Fund</u>	<u>Total Trust Fund</u>
ADDITIONS:			
Contributions:			
Plan Member	\$ 114,990	\$	\$ 114,990
Board Contribution	100,000		100,000
Scholarship Donations		4,072	4,072
Total Contributions	<u>214,990</u>	<u>4,072</u>	<u>219,062</u>
Total Additions	<u>214,990</u>	<u>4,072</u>	<u>219,062</u>
DEDUCTIONS:			
Unemployment Claims	216,382		216,382
Scholarships Awarded		4,100	4,100
Total Deductions	<u>216,382</u>	<u>4,100</u>	<u>220,482</u>
Change in Net Position	(1,392)	(28)	(1,420)
Net Position - Beginning of the Year	<u>438,874</u>	<u>162,114</u>	<u>600,988</u>
Net Position - End of the Year	<u>\$ 437,482</u>	<u>\$ 162,086</u>	<u>\$ 599,568</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 STUDENT ACTIVITY AGENCY FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS
 FIDUCIARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Balance</u> <u>June 30, 2017</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2018</u>
ELEMENTARY SCHOOLS:				
Early Childhood Center	\$ 4,296	\$ 3,839	\$ 4,153	\$ 3,982
Cleveland	1,695	9,566	8,867	2,394
Forest	2,643	10,898	12,066	1,475
Heywood	6,291	24,743	24,468	6,566
Lincoln	1,448		1,240	208
Rosa Parks	14,305	20,767	19,208	15,864
Oakwood	1,639	1,145	444	2,340
Park	10,593	14,397	10,656	14,334
Total Elementary Schools	<u>42,910</u>	<u>85,355</u>	<u>81,102</u>	<u>47,163</u>
JUNIOR HIGH SCHOOL:				
Orange Prep Academy	<u>10,251</u>	<u>800</u>	<u>2,710</u>	<u>8,341</u>
Total Junior High School	<u>10,251</u>	<u>800</u>	<u>2,710</u>	<u>8,341</u>
SENIOR HIGH SCHOOLS:				
Orange High School	66,634	78,603	95,071	50,166
Career and Innovative Academy	264	26	26	264
Total Senior High Schools	<u>66,898</u>	<u>78,629</u>	<u>95,097</u>	<u>50,430</u>
Athletic Activities	<u>8,917</u>	<u>78,570</u>	<u>74,048</u>	<u>13,439</u>
Total Other Accounts	<u>8,917</u>	<u>78,570</u>	<u>74,048</u>	<u>13,439</u>
Total All Schools	<u>\$ 128,976</u>	<u>\$243,354</u>	<u>\$252,957</u>	<u>\$ 119,373</u>

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>ASSETS</u>	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
Cash and Cash Equivalents	\$ 674,166	\$69,702,255	\$66,782,020	\$ 3,594,401
Intergovernmental Accounts Receivable	<u> </u>	<u> 718</u>	<u> </u>	<u> 718</u>
Total Assets	<u>\$ 674,166</u>	<u>\$69,702,973</u>	<u>\$66,782,020</u>	<u>\$ 3,595,119</u>
 <u>LIABILITIES</u>				
Payroll Deductions and Withholdings	\$ 672,449	\$69,702,973	\$66,780,303	\$ 3,595,119
Interfunds Payable	<u> 1,717</u>	<u> </u>	<u> 1,717</u>	<u> </u>
Total Liabilities	<u>\$ 674,166</u>	<u>\$69,702,973</u>	<u>\$66,782,020</u>	<u>\$ 3,595,119</u>

I. LONG-TERM DEBT

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE 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>
EXPENDITURES:					
Regular Debt Service:					
Interest on Notes	\$ -	\$ -	\$ -	\$ 23,044	\$ (23,044)
Total Regular Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,044</u>	<u>(23,044)</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,044</u>	<u>\$ (23,044)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (23,044)</u>	<u>\$ (23,044)</u>
Other Financing Sources/(Uses):					
Transfers In/(Out) from Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (23,044)</u>	<u>\$ (23,044)</u>
Fund Balance, July 1	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (23,044)</u></u>	<u><u>\$ (23,044)</u></u>
Recapitulation of Excess/(Deficiency) of Revenues Over/(Under) Expenditures:					
Budgeted Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (23,044)</u></u>	<u><u>\$ 23,044</u></u>

STATISTICAL SECTION (UNAUDITED)

INTRODUCTION TO THE STATISTICAL SECTION

FINANCIAL TRENDS

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
Unaudited

J-1

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:										
Net Invested in Capital Assets	\$ 118,561,986	\$ 132,154,834	\$ 136,500,710	\$ 140,368,517	\$ 139,303,437	\$ 138,821,212	\$ 137,661,591	\$ 136,238,074	\$ 133,184,391	\$ 132,467,607
Restricted			344,178	74,934	498,870	6,821,558	6,041,789	5,115,380	2,550,000	3,114,959
Unrestricted	(7,428,032)	(6,381,093)	(5,554,983)	(6,243,853)	(3,526,616)	(6,995,267)	(24,830,513)	(23,757,910)	(18,363,363)	(21,489,954)
Total Governmental Activities Net Positions	<u>\$ 111,133,954</u>	<u>\$ 125,773,741</u>	<u>\$ 131,289,905</u>	<u>\$ 134,199,598</u>	<u>\$ 136,275,691</u>	<u>\$ 138,447,503</u>	<u>\$ 118,872,867</u>	<u>\$ 117,595,544</u>	<u>\$ 117,351,028</u>	<u>\$ 114,092,612</u>
Business-Type Activities:										
Net Invested in Capital Assets	\$ 279,738	\$ 269,594						\$ 55,261	\$ 33,370	\$ 15,083
Unrestricted	(525,504)	(409,379)	(248,545)	(184,260)	(41,779)	\$ 42,673	\$ 89,760	190,574	145,323	61,287
Total Business-Type Activities Net Position	<u>\$ (245,766)</u>	<u>\$ (139,785)</u>	<u>\$ (248,545)</u>	<u>\$ (184,260)</u>	<u>\$ (41,779)</u>	<u>\$ 42,673</u>	<u>\$ 89,760</u>	<u>\$ 245,835</u>	<u>\$ 178,693</u>	<u>\$ 76,370</u>
District-Wide:										
Net Invested in Capital Assets	\$ 118,841,724	\$ 132,424,428	\$ 136,500,710	\$ 140,368,517	\$ 139,303,437	\$ 138,821,212	\$ 137,661,591	\$ 136,293,335	\$ 133,217,761	\$ 132,482,690
Restricted			344,178	74,934	498,870	6,821,558	6,041,789	5,115,380	2,550,000	3,114,959
Unrestricted	(7,953,536)	(6,790,472)	(5,803,528)	(6,428,113)	(3,568,395)	(6,952,594)	(24,740,753)	(23,567,336)	(18,238,040)	(21,428,667)
Total District Net Position	<u>\$ 110,888,188</u>	<u>\$ 125,633,956</u>	<u>\$ 131,041,360</u>	<u>\$ 134,015,338</u>	<u>\$ 136,233,912</u>	<u>\$ 138,490,176</u>	<u>\$ 118,962,627</u>	<u>\$ 117,841,379</u>	<u>\$ 117,529,721</u>	<u>\$ 114,168,982</u>

Source: CAFR Exhibit A-1

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 FUND BALANCES GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

J-3

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Restricted:										
Encumbrances	\$ 204,712	\$ 367,342	\$ 1,183,401	\$ 1,021,135	\$ 445,360	\$ 1,596,197	\$ 2,807,058	\$ 1,187,560	\$	\$
Excess Surplus Designated for Subsequent Year's Expenditures						3,876,491		1,273,337		
Assigned Fund Balance - Designated for Subsequent Year's Expenditures						1,273,257	3,234,731	2,654,483		
Restricted:									10,528,304	6,384,105
Assigned									104,483	
(Deficit)	<u>(5,569,388)</u>	<u>(5,101,076)</u>	<u>(4,838,805)</u>	<u>(4,995,791)</u>	<u>(5,286,334)</u>	<u>(5,150,170)</u>	<u>(6,483,432)</u>	<u>(5,508,676)</u>	<u>(5,484,865)</u>	<u>(5,594,366)</u>
Total General Fund	<u>\$ (5,364,676)</u>	<u>\$ (4,735,734)</u>	<u>\$ (3,655,404)</u>	<u>\$ (3,974,656)</u>	<u>\$ (4,840,974)</u>	<u>\$ 1,595,775</u>	<u>\$ (441,643)</u>	<u>\$ (393,296)</u>	<u>\$ 5,147,922</u>	<u>\$ 789,739</u>
All Other Governmental Funds:										
Unassigned (Deficit)	<u>\$ (803,736)</u>	<u>\$ (358,684)</u>	<u>\$ (554,580)</u>	<u>\$ (879,795)</u>	<u>\$ (963,299)</u>	<u>\$ (368,606)</u>	<u>\$ (316,995)</u>	<u>\$ (282,576)</u>	<u>\$ (479,193)</u>	<u>\$ 2,597,081</u>
Total All Other Governmental Funds	<u>\$ (803,736)</u>	<u>\$ (358,684)</u>	<u>\$ (554,580)</u>	<u>\$ (879,795)</u>	<u>\$ (963,299)</u>	<u>\$ (368,606)</u>	<u>\$ (316,995)</u>	<u>\$ (282,576)</u>	<u>\$ (479,193)</u>	<u>\$ 2,597,081</u>

Source: CAFR Schedule B-1

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

J-4

	Fiscal Year Ending June 30.									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues:										
Tax Levy	\$ 12,164,664	\$ 11,926,140	\$ 11,692,295	\$ 10,874,799	\$ 10,661,568	\$ 10,452,518	\$ 10,247,567	\$ 10,046,634	\$ 9,660,225	\$ 9,288,678
Tuition	61,439	61,184	63,206	191,260	177,568	185,202	50,000	106,990	54,981	34,550
Interest			2,764	3,912	8,357	6,774	45,000	30,000	61,696	11,645
Miscellaneous	2,028,889	3,937,207	1,266,564	887,139	3,336,793	673,441	803,248	405,046	794,425	464,586
State Sources	97,832,854	94,934,107	93,757,940	92,329,387	91,460,090	96,517,760	92,953,560	92,388,205	96,706,629	100,107,244
Federal Sources	4,726,879	4,311,578	5,222,611	4,277,557	4,167,120	8,337,477	8,016,918	4,299,741	9,524,896	8,167,080
Total Revenues	116,814,725	115,170,216	112,005,380	108,564,054	109,811,496	116,173,172	112,116,293	107,276,616	116,802,852	118,073,783
Expenditures										
Instruction:										
Regular Instruction	28,481,620	28,112,595	28,514,761	27,423,847	30,064,051	34,944,940	33,116,815	33,116,815	33,329,874	34,178,754
Special Education Instruction	6,041,687	5,984,544	6,015,119	5,645,060	5,974,091	5,221,738	5,498,074	4,955,866	5,980,866	5,825,584
Other Special Instruction	2,239,701	2,134,322	2,284,046	2,123,812	2,367,339					
Other Instruction	790,619	713,761	964,306	915,437	953,897	3,274,283	4,928,924	2,765,114	2,945,468	2,639,081
Support Services:										
Tuition	6,237,658	5,601,755	5,090,328	7,141,055	8,586,766	7,839,751	6,551,799	6,108,882	7,371,845	7,535,338
Student and Instruction Related Services	18,853,784	19,807,319	21,370,824	19,932,904	19,159,250	12,146,941	12,582,960	10,597,301	12,315,028	10,536,786
School Administrative Services	5,072,635	3,950,449	3,883,694	3,637,419	3,773,364	3,626,010	3,287,206	3,279,730	3,109,290	3,180,499
Other Administrative Services	4,310,024	4,101,690	5,056,349	6,108,306	5,108,856	1,193,395	1,314,142	1,114,996	1,082,985	886,946
Plant Operations and Maintenance	7,960,233	7,458,327	8,061,146	8,947,111	7,859,096	7,448,271	7,559,776	6,358,680	8,256,847	5,831,664
Pupil Transportation	3,206,922	3,073,081	3,060,500	3,589,854	3,026,485	2,886,254	2,896,947	2,685,339	3,416,363	3,341,176
Unallocated Benefits	28,018,615	25,057,618	23,867,955	21,480,859	19,705,634	14,811,252	13,904,303	14,280,984	13,692,901	8,756,796
Federal and State Aid and Other						21,819,584	15,743,215	12,875,357	10,055,465	7,090,281
Special Schools	87,305	145,074	65,358	67,742	72,042	67,887	75,956	939,945	936,641	53,308
Transfer to Charter School	3,180,883	3,111,861	2,222,036	2,178,654						
Capital Outlay	3,591,893	573,219	1,466,191	1,357,601	1,564,265	720,027	5,300,644	6,377,901	15,233,285	32,335,726
Debt Service:										
Interest and Other Charges	23,044									
Total Expenditures	118,096,633	109,825,615	111,922,613	110,549,661	108,215,136	116,000,133	112,760,761	105,456,910	115,726,858	122,191,939
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	\$ (1,281,908)	\$ 5,344,601	\$ 82,767	\$ (1,985,607)	\$ 1,596,360	\$ 173,039	\$ (644,468)	\$ 1,819,706	\$ 1,075,994	\$ (4,118,156)

Source: District Records

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND REVENUES
OTHER LOCAL REVENUE BY SOURCES
LAST TEN FISCAL YEARS
UNAUDITED**

J-5

<u>Fiscal Year Ended June 30,</u>	<u>Donations</u>	<u>Facilities Use</u>	<u>Tuition Reimbursements</u>	<u>Various Insurance Reimbursements</u>	<u>Refunds E-rate</u>	<u>Other</u>	<u>Annual Totals</u>
2009	\$ 2,588	\$ 3,454	\$ 217,856	\$	\$ 111,000	\$ 46,575	\$ 381,473
2010	2,588	3,454	168,481	26,000	200,000	195,024	595,547
2011	2,000	41,628	106,990	15,687	63,463	3,278	233,046
2012	4,550	25,027	148,171	28,450	189,918	264,929	661,045
2013	46,890	22,500	181,750	34,948	228,223	126,130	640,441
2014	44,632	21,831	25,311	25,554	3,162,937	41,125	3,321,390
2015	15,435	22,600	21,013	26,080	589,315	31,428	705,871
2016	15,300	25,000	36,000	35,000	580,700	409,464	1,101,464
2017	22,867	11,985	11,697	430,581	688,515	16,597	1,182,242
2018	11,000	4,939	13,178	78,992	179,449	254,129	541,687

Source: District Records.

REVENUE CAPACITY

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 UNAUDITED

J-6

<u>Fiscal Year Ended June 30</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Fam Regular</u>	<u>Q Fam</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Less: Tax Exempt Property</u>	<u>Public Utilities</u>	<u>Net Valuation Taxable</u>	<u>Estimated Actual County Equalized Value</u>	<u>Total Direct School Tax Rate</u>
2009	\$ 19,049,800	\$ 1,008,408,200	N/A	N/A	\$ 266,637,200	\$ 48,732,500	\$ 256,996,100	\$ 1,599,823,800	\$ 312,431,850	\$ 1,495,070	\$ 1,601,528,166	\$ 1,825,727,500	0.638
2010	17,915,000	1,003,444,500	N/A	N/A	268,738,800	46,546,500	252,712,100	1,589,357,000	311,230,850	1,527,292	1,590,884,292	1,771,586,700	0.685
2011	18,313,800	992,642,000	N/A	N/A	266,341,900	46,594,500	250,039,500	1,572,463,200	307,405,050	1,445,383	1,573,908,583	1,712,445,417	0.702
2012	19,356,100	972,757,200	N/A	N/A	261,751,000	45,567,200	247,097,200	1,545,060,200	312,186,250	1,609,129	1,546,669,329	1,484,470,035	0.721
2013	17,706,100	956,660,950	N/A	N/A	258,192,600	45,902,700	230,684,200	1,507,228,950	377,758,200	1,981,856	1,509,210,806	1,428,365,328	0.722
2014	10,548,200	721,341,700	N/A	N/A	277,931,500	44,057,200	253,572,600	1,307,451,200	437,235,472	1,652,723	1,309,103,923	1,309,103,928	0.846
2015	10,637,500	717,560,400	N/A	N/A	265,861,400	43,447,600	249,451,100	1,286,958,000	449,402,072	2,010,593	1,288,968,593	1,288,968,593	0.887
2016	11,276,500	716,661,000	N/A	N/A	263,891,447	43,355,400	284,813,847	1,320,000,194	449,391,572	2,162,247	1,322,162,441	1,284,813,847	0.930
2017	25,654,500	716,282,100	N/A	N/A	260,837,400	40,569,400	248,759,300	1,292,102,800	481,608,872	2,943,023	1,295,045,823	1,286,400,290	0.943
2018	21,522,300	716,393,600	N/A	N/A	260,496,800	41,700,900	250,092,625	1,290,206,225	495,135,272	2,526,100	1,292,732,325	1,576,263,760	0.931

Source: Municipal Tax Assessor

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATE
 PER \$100.00 OF ASSESSED VALUATION
 LAST TEN FISCAL YEARS
 (Unaudited)**

J-7

Fiscal Year Ended June 30	Orange School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligated Debt Revenue	(From J-6) Total Direct School Tax Rate	City of Orange	Essex County	
2009	\$ 0.638	0	\$ 0.638	\$ 2.150	\$ 0.451	\$ 3.239
2010	0.685	0	0.685	1.936	0.458	3.079
2011	0.702	0	0.702	2.266	0.482	3.450
2012	0.721	0	0.721	2.385	0.446	3.552
2013	0.722	0	0.722	2.517	0.466	3.705
2014	0.847	0	0.847	3.047	0.055	3.949
2015	0.887	0	0.887	3.197	0.569	4.653
2016	0.930	0	0.930	3.266	0.582	4.778
2017	0.943	0	0.943	3.337	0.590	4.870
2018	0.931	0	0.931	3.669	0.630	5.230

Source: Municipal Tax Collector

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO
 Unaudited

J-8

<u>Taxpayer</u>	2018			N/A 2009		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Orange Portfolio LLC	\$ 14,587,000	1	1.13%	\$		
PD South Orange Towers LLC	10,024,400	2	0.78%			
Susa Orange LP	9,310,600	3	0.72%			
High Properties LLC	6,874,100	4	0.53%			
Orange Senior Cit. Residence Co.	6,593,100	5	0.51%			
Scroll Properties LLC	6,514,100	6	0.50%			
Ben Central LLC	6,500,000	7	0.50%			
Tri-State Realty Investment	6,245,900	8	0.48%			
Ridge Garden Apartment, LLC	5,795,600	9	0.45%			
400 Realty Management, LLC	5,610,200	10	0.43%			
	<u>\$ 78,055,000</u>		<u>6.04%</u>	<u>\$ -</u>		<u>-</u>
 Total Assessed Valuation	 <u>\$ 1,292,102,700</u>					

Source: Municipal Tax Assessor.

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
Unaudited**

J-9

<u>For Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collection in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2009	\$ 49,028,162	\$45,703,512	93.22%	\$2,848,459
2010	49,850,985	46,835,304	93.95%	2,440,715
2011	54,386,320	51,168,749	94.08%	2,250,425
TY 2012	27,124,351	23,350,831	86.09%	N/A
CY 2013	55,972,265	51,847,602	92.63%	N/A
CY 2014	58,236,743	54,085,200	92.87%	N/A
CY 2015	59,972,004	56,331,509	93.93%	N/A
CY 2016	61,387,188	60,754,692	98.97%	N/A
CY 2017	62,620,723	58,861,086	94.00%	N/A
CY 2018	63,578,469	N/A	N/A	N/A

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

DEBT CAPACITY

CITY OF ORANGETOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
Unaudited

J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities Capital Leases	Total District	Percentage of Personal Income	Per Capita
	General Obligation Bond	Certificate of Participation	Capital Leases	Bond Anticipation Notes (BANs)				
2009	\$	\$	\$	\$	\$	\$	2.90	992
2010	6,851,357					6,851,357	3.00	1,306
2011	5,356,463					5,356,463	N/A	N/A
2012	2,224,631					2,224,631	N/A	N/A
2013	2,163,972					2,163,972	N/A	N/A
2014	1,375,312					1,375,312	N/A	N/A
2015	929,015					929,015	N/A	N/A
2016	929,015					929,015	N/A	N/A
2017	321,921			3,744,000		4,065,921	N/A	N/A
2018				3,744,000		3,744,000	N/A	N/A

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
Unaudited**

J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Per Capita	
	General Obligation Bonds	Deductions			Net General Bonded Debt Outstanding
2009	*	*	*	N/A	
2010	\$6,851,357		\$ 6,851,357	0.43%	N/A
2011	5,356,463		5,356,463	0.34%	N/A
2012	3,801,495		3,801,495	2.50%	N/A
2013	2,209,692		2,209,692	*	N/A
2014	1,575,312		1,575,312	*	N/A
2015	929,015		929,015	*	N/A
2016	629,926		629,926	*	N/A
2017	321,921		321,921	*	N/A
2018	None		None	**	N/A

* The School District currently operates as a Type 1 District, and as such the debt for capital projects is issued and repaid by the City of Orange Township. However, the cost of the debt is raised by the Municipal and added to the School District Tax Levy.

** The School District currently operates as a Type 2 District, and as such the debt for capital projects is issued and repaid by the School District.

Source: Data regarding School District population was given by School Officials.

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
FOR THE YEAR ENDED DECEMBER 31, 2017
Unaudited**

J-12

<u>Governmental Unit</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Debt Repaid with Property Taxes			
City of Orange Township Essex County General Obligation Debt	\$41,079,101.00	\$23,991,873.00	\$ 17,087,228.00
City Orange Township District Direct Debt	3,744,000.00	3,744,000.00	<u>None</u>
Total Direct and Overlapping Debt			<u>\$ 17,087,228.00</u>

Sources: Assessed value data used to estimate applicable percentage provided by Essex County Board of Taxation.

(1) City of Orange Township's Chief Financial Officer and 2018 Annual Debt Statement.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 Unaudited

J-13

										Equalized Valuation Basis
										Year
										2017
										2016
										2015
										<u>\$4,482,055,415.00</u>
										<u>\$1,494,018,471.67</u>
										Debt Limit (4% of Average Equalization Value)
										Total Net Debt Application to Limit
										<u>59,780,739.00</u>
										<u>3,744,000.00</u>
										<u>\$ 58,016,739.00</u>
										<u>\$ 58,016,739.00</u>
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2017</u>
Debt Limit	\$69,454,050.00	\$71,842,524.00	\$70,798,795.00	\$66,246,695.00	\$59,713,375.00	\$ 57,370,464.00	\$53,834,763.00	\$ 56,593,833.00	\$51,456,001.00	\$ 59,760,739.00
Total Net Debt Application to Limit	<u>6,851,357.00</u>	<u>5,356,483.00</u>	<u>2,224,831.00</u>	<u>2,163,972.00</u>	<u>1,375,312.00</u>	<u>929,015.00</u>	<u>929,015.00</u>	<u>321,921.00</u>	<u>3,744,000.00</u>	<u>3,744,000.00</u>
Legal Debt Margin	<u>\$69,454,050.00</u>	<u>\$64,991,167.00</u>	<u>\$65,440,332.00</u>	<u>\$64,022,064.00</u>	<u>\$57,549,403.00</u>	<u>\$ 55,995,152.00</u>	<u>\$52,905,748.00</u>	<u>\$ 55,664,818.00</u>	<u>\$51,134,080.00</u>	<u>\$ 58,016,739.00</u>
Total Net Debt Application to the Limit as a Percentage of Debt Limit	0.00%	0.54%	7.57%	5.73%	3.62%	2.75%	1.70%	1.64%	0.62%	5.38%

Source: Equalized valuation basis was provided by the annual report of the State of New Jersey, Department of Treasury, Division of Taxation.

DEMOGRAPHIC AND ECONOMIC INFORMATION

10

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
Unaudited**

J-14

<u>Year</u>	<u>a</u> <u>Population</u>	<u>b</u> <u>Personal Income</u>	<u>c</u> <u>Per Capita Personal Income</u>	<u>d</u> <u>Unemployment Rate</u>
2009	31,030	\$1,590,101,320	\$ 51,244	10.30%
2010	30,134	1,517,216,766	50,349	11.00%
2011	30,180	N/A	N/A	11.90%
2012	32,332	N/A	N/A	12.20%
2013	32,978	N/A	N/A	12.40%
2014	32,868	N/A	N/A	9.10%
2015	32,868	N/A	N/A	7.80%
2016	32,868	N/A	N/A	7.30%
2017	32,868	N/A	N/A	N/A
2018	32,868	N/A	N/A	N/A

Source:

a - Population information provided by the NJ Dept. of Labor and Workforce Development.

b - Personal income has been estimated based upon the municipal population and per capita personal income prese

c - Per capita personal income by municipality estimated based upon the 2010 Census published by the U.S. Bureau of Economic Analysis.

d - Unemployment data provided by the N.J. Department of Labor and Workforce Development.

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
Unaudited**

J-15

INFORMATION UNAVAILABLE

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	<u>Employees</u>	<u>Rank</u> <u>[Optional]</u>	<u>Percentage of</u> <u>Total Municipal</u> <u>Employment</u>	<u>Employees</u>	<u>Rank</u> <u>[Optional]</u>	<u>Percentage of</u> <u>Total Municipal</u> <u>Employment</u>
Parkway Associates		1	0.00%			0.00%
I & S Investment Co.		2	0.00%			0.00%
Union Mill Run		3	0.00%			0.00%
Brookville Holding, LLC		4	0.00%			0.00%
Verizon		5	0.00%			0.00%
Newark Portfolio		6	0.00%			0.00%
Bradford Utilities		7	0.00%			0.00%
Colonial Village Association		8	0.00%			0.00%
Public Service		9	0.00%			0.00%
Lyons Plaza LLC		10	0.00%			0.00%
			0.00%			0.00%
			0.00%			0.00%

Source: Municipal Tax Assessor.

OPERATING INFORMATION

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 Unaudited

J-16

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction:										
Regular	306	339	282	372	396	381	380	384	384	373
Special Education	130	81	78	106	77	79	77	78	78	75
Other Special Education	4	4	10	8	8	8	8	8	8	8
Vocational	9	8	9	11	14	19	17	17	17	17
Other Instruction	112	95	120	120	114	114	114	113	113	111
Support Services:										
Student and Instructional Related Services	95	74	129	120	69	64	66	66	66	64
General Administrative Services	11	10	11	10	10	10	10	10	10	9
School Administrative Services	46	46	33	42	44	44	46	46	46	44
Health Services	15	15	11	12	12	11	12	12	12	10
Central Services	10	17	49	29	49	51	51	51	51	50
Administrative Information Technology	5	5	5	6	7	7	7	7	7	6
Plant Operations and Maintenance	33	33	35	38	43	42	44	44	44	42
Student Transportation	1	2	2	3	1	2	2	2	2	2
Other Support Services	0	0	0	0	0	0	0	0	0	0
Special Schools	0	0	0	0	0	0	0	0	0	0
Food Services	1	1	1	1	1	1	1	1	1	1
Child Care	0	0	0	0	0	0	0	0	0	0
Total	<u>778</u>	<u>730</u>	<u>775</u>	<u>878</u>	<u>845</u>	<u>833</u>	<u>835</u>	<u>839</u>	<u>839</u>	<u>810</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 Unaudited

J-17

Fiscal Year	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change Average Daily Enrollment	Student Attendance %
						Elementary	Middle	High School				
2009	4,628	\$ 85,084,398	\$18,385	0.00	580	1.09	1.10	1.09	4,420	3,983	3.27	90.11%
2010	4,619	91,516,107	19,813	7.77	589	1.12	1.13	1.12	4,434	4,214	0.32	95.04%
2011	4,522	90,763,083	20,071	1.30	584	1.12	1.12	1.10	4,427	4,588	-0.16	103.64%
2012	5,392	95,832,118	17,773	-11.45	597	1.09	1.10	1.10	4,727	5,130	6.78	108.53%
2013	5,526	97,938,801	17,723	-0.28	628	1.10	1.10	1.10	4,842	4,536	2.43	93.68%
2014	4,940	94,895,712	19,210	8.39	628	1.10	1.10	1.10	4,922	4,676	1.65	95.00%
2015	5,359	97,208,056	18,139	-5.57	636	1.10	1.10	1.10	5,154	4,895	4.71	94.97%
2016	5,185	110,456,422	21,303	17.44	636	1.10	1.10	1.10	5046	4789	-2.10	94.91%
2017	5,170	109,252,396	21,132	-0.80	634	1.10	1.10	1.10	5166	4890	2.38	94.66%
2018	5,129	117,976,425	23,002	8.85	635	1.10	1.10	1.10	5108	4860	-0.11	95.14%

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited

J-18

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>District Building</u>										
<u>Elementary</u>										
Central (1919):										
Square Feet	43,272	43,272	43,272	43,272	43,272	43,272	43,272	43,272	43,272	43,272
Capacity (student)	535	535	535	535	535	535	535	535	535	0
Enrollment	304	261	246	246	0	0				
Cleveland (1910):										
Square Feet	32,850	32,850	32,850	32,850	32,850	32,850	32,850	32,850	32,850	32,850
Capacity (student)	470	470	470	470	470	470	470	470	470	470
Enrollment	329	293	301	301	298	318	350	357	352	351
Forest (1997):										
Square Feet	37,363	37,363	37,363	37,363	37,363	37,363	37,363	37,363	37,363	37,363
Capacity (student)	220	220	220	220	220	220	220	220	220	220
Enrollment	290	315	361	361	377	379	379	400	402	409
Heywood (1997):										
Square Feet	52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,900
Capacity (student)	500	500	500	500	500	500	500	500	500	500
Enrollment	385	388	331	331	431	392	390	382	378	380
Lincoln (1900):										
Square Feet	44,000	44,000	63,450	63,450	63,450	63,450	63,450	63,450	63,450	63,450
Capacity (student)	730	730	730	730	730	730	730	730	730	730
Enrollment	455	463	523	523	616	674	693	705	729	741
Dakwood (1911):										
Square Feet	26,929	26,929	26,929	26,929	26,929	26,929	26,929	26,929	26,929	26,929
Capacity (student)	395	395	395	330	330	330	330	330	330	330
Enrollment	283	254	237	393	280	258	289	288	285	285
Park Avenue (1914):										
Square Feet	37,900	37,900	59,000	59,000	59,000	59,000	59,000	59,000	59,000	59,000
Capacity (student)	330	330	330	330	330	330	330	330	330	330
Enrollment	272	347	393	393	454	445	485	483	485	448
Main Street:										
Square Feet	123,768	123,768	123,768	123,768	123,768	123,768	123,768	123,768	123,768	123,768
Capacity (student)	775	775	775	775	775	775	775	775	775	775
Enrollment	612	669	741	741	863	950	950	989	1,010	889
<u>Middle School</u>										
Orange Middle (1925):										
Square Feet	84,955	84,955	84,955	84,955	84,955	84,955	84,955	84,955	84,955	84,955
Capacity (student)	780	780	780	780	780	780	780	780	780	780
Enrollment	438	416	358	358	532	561	598	620	626	573
<u>Senior High School</u>										
Orange High School (1974):										
Square Feet	111,314	111,314	111,314	111,314	111,314	111,314	111,314	111,314	11,314	11,314
Capacity (student)	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Enrollment	1,083	979	847	847	822	846	846	822	882	833

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF REQUIRED MAINTENANCE
 LAST TEN FISCAL YEARS
 UNAUDITED

J-19

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

Year	* School Facilities	Park Avenue	Orange Middle	Oakwood Avenue	Main Street	Lincoln Avenue	Heywood Avenue	Forest Street	Cleveland Street	Central	Orange High School	Total
	Project # (s)											
2009		\$ 1,648	\$ 43,103	\$ 16,257	\$ 43,828	\$ 15,340	\$ 49,400	\$ 23,463	\$ 13,999	\$ 3,862	\$ 68,233	\$ 279,133
2010		1,643	93,237	37,891	33,852	10,630	59,987	35,491	25,605	21,451	77,760	397,547
2011		30,637	52,714	46,024	35,850	13,138	80,133	16,509	20,407	30,031	112,309	437,752
2012		53,296	78,376	18,165	62,455	51,512	88,976	27,825	26,579	38,171	208,749	654,105
2013		39,513	132,957	28,303	145,480	52,014	55,493	72,371	44,971	38,773	213,016	822,891
2014		45,718	95,861	49,946	54,356	63,610	40,031	35,666	21,793	53,453	205,335	665,769
2015		93,889	126,489	69,414	67,868	56,604	62,592	73,835	23,110	40,794	136,018	752,613
2016		58,102	152,065	40,741	59,932	49,024	70,843	66,618	27,495	24,733	121,155	672,708
2017		59,183	105,995	24,850	67,564	54,898	49,275	32,404	32,671	44,343	170,080	641,083
2018		45,766	61,350	49,414	51,911	65,628	33,539	41,255	23,267	25,491	164,707	562,328
Total School Facilities		\$ 429,395	\$ 942,147	\$ 361,005	\$ 623,116	\$ 432,198	\$ 590,269	\$ 427,438	\$ 259,897	\$ 321,102	\$ 1,479,362	\$ 5,885,929

*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

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2018
Unaudited

J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:		
Property:		
Real and Personal Property	\$ 500,000	\$ 10,000
Extra Expense	50,000,000	10,000
Valuable Papers	10,000,000	10,000
Demolition and Increased Cost of Construction	25,000,000	
Earthquake	50,000,000	
Terrorism	1,000,000	
All Flood Zones	75,000,000	10,000
Special Flood Hazard Area Per Occurrence	25,000,000	500,000
Per Building Contents		500,000
 Electronic Data Processing	 225,000	 1,000
Boiler and Machinery:		
Equipment Breakdown	100,000,000	5,000
Blanket Faithful Performance	500,000	1,000
Forgery and Alteration	25,000	500
Money and Securities (In/Out)	25,000	500
Money Orders/Counterfeit	25,000	500
Computer Fraud	25,000	500
Assistant Business Administrator	400,000	1,000
Board Secretary	400,000	1,000
Treasurer	400,000	1,000
Comprehensive General Liability:		
General Liability	11,000,000	
General Liability including Student Accident	11,000,000	
Student Accident:		
Basic/Sports/Football K-12	5,025,000	
Catastrophe - Cash K-12	1,000,000	
 Automobile	 11,000,000	 1,000
School Leaders Errors and Omissions:		
Coverage A	1,000,000	5,000
Coverage B	150,000	5,000

Source: District Records.

SINGLE AUDIT SECTION

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NEWARK, NJ 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, NJ 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

The Honorable President and Members
of the Board of Education
City of Orange Township School District
County of Essex
Orange, New Jersey 07050

We have audited, in accordance with the 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 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 Board of Education of the City of Orange Township School District in the County of Essex, State of New Jersey, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Orange Township Board of Education's basic financial statements, and have issued our report thereon dated February 25, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



WALTER P. RYGLICKI
Licensed Public School Accountant #845



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
February 25, 2019

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**INDEPENDENT AUDITORS REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY UNIFORM GUIDANCE AND NJOMB 15-08**

The Honorable President and Members
of the Board of Education
City of Orange Township School District
County of Essex
Orange, New Jersey 07050

Report on Compliance for Each Major Federal and State Program

We have audited the City of Orange Township Board of Education's compliance with the types of compliance requirements described in *the OMB Compliance Supplement* and *the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2018. The City of Orange Township 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 the requirements of laws, regulations contracts and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Orange Township Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *New Jersey State Aid/Grant Compliance Supplement* and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid (NJOMB 15-08)*. Those standards, Uniform Guidance and New Jersey OMB 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the City of Orange Township Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our unmodified opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of Orange Township Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City of Orange Township Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the City of Orange Township Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Orange Township Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey State Aid/Grant Compliance Supplement, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Orange Township Board of Education's internal control over compliance.

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

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

Purpose of Report

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



WALTER P. RYGLICKI
Licensed Public School Accountant #845



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State/Grantor/Program Title	Grant or State Project Number	Award Amount	Grant Period From To	Balance at June 30, 2017				Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2018			MEMO		
				Deferred Inflows (Accounts Receivable)	Deferred Revenue	Due to Grantor	Cash Received				Intergovernmental (Accounts Receivable)	Deferred Inflows/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education:																
General Fund:																
Equalization Aid	18-495-034-5120-078	\$ 82,244,876	7/01/17-6/30/18	\$	\$	\$	\$ 82,244,876	\$ 82,244,876	\$	\$	\$	\$	\$	*	\$ 6,102,261	\$ 62,244,876
Education Adequacy Aid	18-495-034-5120-083	7,152,931	7/01/17-6/30/18				7,152,931	7,152,931						*	728,036	7,152,931
Transportation Aid	18-495-034-5120-014	568,151	7/01/17-6/30/18				568,151	568,151						*	55,491	568,151
Special Education Aid	18-495-034-5120-089	2,919,794	7/01/17-6/30/18				2,919,794	2,919,794						*	291,774	2,919,794
Security Aid	18-495-034-5120-084	1,858,563	7/01/17-6/30/18				1,858,563	1,858,563						*	187,637	1,858,563
Under Adequacy Aid	16-495-034-5120-096	265,589	7/01/17-6/30/18				265,589	265,589						*	27,279	265,589
PARCC Readiness Aid	16-495-034-5120-098	49,800	7/01/17-6/30/18				49,800	49,800						*	148	49,800
Per Pupil Growth Aid	16-495-034-5120-097	49,800	7/01/17-6/30/18				49,800	49,800						*	148	49,800
Professional Learning Community Aid	18-495-034-5120-101	52,570	7/01/17-6/30/18				52,570	52,570						*	144	52,570
Heat District Support Aid	18-495-034-5120-102	40,403	7/01/17-6/30/18				40,403	40,403						*	109	40,403
Extraordinary Aid	16-100-034-5120-473	513,839	7/01/17-6/30/18				513,839	513,839						*		513,839
Extraordinary Aid	17-100-034-5120-473	604,748	7/01/16-6/30/17	(604,748)			604,748				(513,839)			*		513,839
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	2,846,458	7/01/17-6/30/18				2,706,872	2,846,458				(139,786)		*		2,846,458
Reimbursed TPAF Social Security Contributions	17-495-034-5094-003	2,955,047	7/01/16-6/30/17	(142,069)			142,058							*		2,955,047
TPAF Pension On-Behalf	18-495-034-5094-002	5,582,517	7/01/17-6/30/18				5,582,517	5,582,517						*		5,582,517
TPAF Medical On-Behalf	18-495-034-5094-002	3,605,629	7/01/17-6/30/18				3,605,629	3,605,629						*		3,605,629
TPAF Long-Term Disability Insurance On-Behalf	18-495-034-5094-002	14,063	7/01/17-6/30/18				14,063	14,063						*		14,063
Total General Fund												(653,625)		*	7,484,027	76,562,774
Special Revenue Fund:																
Career Pathways	17E 00006	100,000	3/01/15-2/28/18		1,442									*		99,062
Career Pathways	17E 00006	100,000	3/01/17-2/28/18	(64,077)			100,400	32,867						*		96,744
Career Pathways	17E 00006	100,000	3/01/18-2/28/19					87,052						*		87,052
Preschool Education Aid	18-495-034-5120-086	10,228,680	7/01/17-6/30/18				10,228,651	10,106,953	514,589		(67,052)	638,587		*	1,046,000	10,106,953
Preschool Education Aid	17-495-034-5120-085	10,132,496	7/01/16-6/30/17						(514,589)					*		10,132,496
Total Special Revenue Fund					(62,635)		10,329,351	10,208,672			(67,052)	638,587	5,098	*	1,046,000	10,368,911
State Department of Agriculture:																
Enterprise Fund:																
National School Lunch Program	17-100-010-3350-023	38,184	7/01/16-6/30/17	(2,807)			2,807							*		
National School Lunch Program	18-100-010-3350-023	42,180	7/01/17-6/30/18				34,768	42,181				(7,393)		*		42,181
Total Enterprise Fund				(2,807)			37,575	42,181				(7,393)		*		42,181
Total State Financial Awards				\$ (612,250)	\$ 514,589	\$ -	\$ 98,225,112	\$ 98,013,836	\$ -	\$ -	\$ (728,070)	\$ 638,587	\$ 5,098	*	\$ 8,530,027	\$ 88,973,766
Loss On-Behalf TPAF System Contribution																
Total for State Financial Assistance Major Program Determination																
\$ 88,611,627																

See accompanying notes to schedules of expenditures of awards and financial assistance.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

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 Board of Education, City of Orange Township School District. The information in these Schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations *Part 200*, (Uniform Administrative Guidance) and *New Jersey State Aid/Grant Compliance Supplement* (NJOMB 15-08). The Board of Education is defined in Note 1 (A) to the Board's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed-through other government agencies, is included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on 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 Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 US *Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and *New Jersey State Aid/Grant Compliance Supplement* (NJOMB 15-08), Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of the basic financial statements.

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 expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund and capital projects fund are 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 net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(114,997) for the general fund and \$36,637 for the special revenue fund. See Note 2 (the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following pages.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND STATE FINANCIAL ASSISTANCE

JUNE 30, 2018
(Continued)

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 128,819	\$ 87,651,986	\$ 87,780,805
Special Revenue Fund	4,598,060	10,180,868	14,778,928
Food Service Fund	<u>3,103,439</u>	<u>42,181</u>	<u>3,145,620</u>
	<u>\$ 7,830,318</u>	<u>\$ 97,875,035</u>	<u>\$ 105,705,353</u>

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. SCHOOLWIDE PROGRAM FUNDS

Schoolwide Programs are not separate Federal programs as defined in Title 2, Code of Federal Regulations (CFR), Part 200 amounts used in Schoolwide Programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditure of Federal Awards. The following funds by program are included in Schoolwide Programs in the District:

<u>Program</u>	<u>Amount</u>
Title I of NCLB	\$ 1,328,316
Title II, Part A, Preparing Training and Recruiting High Quality Teachers and Principals	<u>256,515</u>
	<u>\$ 1,584,831</u>

6. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions, Post Retirement Contributions and TPAF Long-Term Disability Insurance Contributions represents the amount paid by the State On-Behalf of the District for the year ended June 30, 2018. TPAF social security contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2018. In addition, adjustments were made for cancellations of encumbrances, refunds and prior accounts payable.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND STATE FINANCIAL ASSISTANCE

JUNE 30, 2018
(Continued)

7. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-Behalf State Programs for TPAF Pension Contribution, TPAF Post-Retirement Medical Benefits Contributions and TPAF Long-Term Disability Insurance Contributions are not subject to a State single audit. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**CITY OF ORANGE 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 weakness(es) identified?

_____ Yes √ No

2) Significant deficiency(ies) identified?

_____ Yes √ None Reported

Noncompliance material to basic financial Statements noted?

_____ Yes √ No

Federal Awards

Internal control over major programs:

1) Material weakness(es) identified?

_____ Yes √ No

2) Significant deficiency(ies) identified?

_____ Yes √ None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section Title 2 Part 200 section .516(a) of the Uniform Guidance?

_____ Yes √ No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.555	18161NJ304N1099	National School Lunch Program
84.010A	5010A150030	Title I
84.027	H027A150100	IDEA, Part B

Dollar threshold used to distinguish between Type A and Type B Programs:

\$750,000.00

Auditee qualified as low-risk auditee?

_____ Yes √ No

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

*Section I - Summary of Auditor's Results
(Continued)*

State Financial Assistance

Internal control over major programs:

- 1) Material weakness(es) identified _____ Yes √ No
- 2) Significant Deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes √ No

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letters 15-08 and 04-04?

_____ Yes √ No

Identification of major programs:

State Grant Number

Name of State Program or Cluster

18-495-034-5120-078
18-495-034-5120-086
18-495-034-5120-083
18-495-034-5094-003
18-495-034-5120-089

Equalization Aid
Preschool Education Aid
Education Adequacy Aid
TPAF Social Security
Special Education Aid

Dollar threshold used to distinguish between Type A and Type B Programs:

\$2,664,049

Auditee qualified as low-risk auditee?

 √ Yes _____ No

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

**Section II - Financial Statement Audit - Reported Findings
Under Governmental Auditing Standards**

NONE

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

**Section III - Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

Federal Aid

NONE

State Aid

NONE

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Section IV - Schedule of Prior Year Findings

NONE

