

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
WILLINGBORO TOWNSHIP SCHOOL DISTRICT
BOARD OF EDUCATION
BURLINGTON COUNTY, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Prepared by
Willingboro Township School District
Finance Department

OUTLINE OF CAFR

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
FINANCIAL SECTION	
Independent Auditor's Report	9

REQUIRED SUPPLEMENTARY INFORMATION — PART I

Management's Discussion and Analysis	13
--------------------------------------	----

BASIC FINANCIAL STATEMENTS

A. District-wide Financial Statements:	
A-1 Statement of Net Position	21
A-2 Statement of Activities	22
B. Fund Financial Statements:	
B-1 Balance Sheet	25
B-2 Statement of Revenues, Expenditures & Changes in Fund Balances	26
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Proprietary Funds:	
B-4 Statement of Net Position	29
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Position	30
B-6 Statement of Cash Flows	31
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	33
B-8 Statement of Changes in Fiduciary Net Position	34
Notes to Financial Statements	35

REQUIRED SUPPLEMENTARY INFORMATION — PART II

C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule — General Fund	69
C-1a Combining Schedule of Revenues, Expenditures & Changes in Fund Balance - Budget & Actual	N/A
C-1b Education Jobs Fund Program – Budget & Actual	N/A
C-2 Budgetary Comparison Schedule — Special Revenue Fund	78

(continued)

OUTLINE OF CAFR — (continued):

	PAGE
Notes to the Required Supplementary Information	
C-3 Budget-to-GAAP Reconciliation	79

REQUIRED SUPPLEMENTARY INFORMATION — PART III

Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	81
L-2 Schedule of District Contributions – PERS	81
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability – TPAF	81
Schedules Related to Accounting and Reporting for OPEB (GASB 75)	
M-1 Schedule of the District's Changes in the Net OPEB Liability and Related Ratios	82
Notes to the Required Supplementary Information – Part III	83

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules Fund —	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues & Expenditures Special Revenue Fund — Budgetary Basis	85
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	89
F. Capital Projects Fund:	
F-1 Summary Statement of Project Expenditures	91
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance — Budgetary Basis	92
F-2a Schedule of Revenues, Expenditures Project Balance & Project Status — Upgrades to Levitt Middle School	93
F-2b Schedule of Revenues, Expenditures Project Balance & Project Status — Other Capital Projects	94
F-2c Schedule of Expenditures Project Balance & Project Status — Renovations to Levitt Middle School	95
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	97
G-2 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	98
G-3 Combining Schedule of Cash Flows	99

OUTLINE OF CAFR — (continued):

	PAGE
G. Proprietary Funds (continued):	
Internal Service Fund:	
G-4 Combining Schedule of Net Position	N/A
G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	101
H-2 Combining Statement of Changes in Fiduciary Net Position	102
H-3 Student Activity Agency Fund Schedule of Receipts & Disbursements	103
H-4 Payroll Agency Fund Schedule of Receipts & Disbursements	103
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	105
I-2 Schedule of Obligations Under Capital Leases	106
I-3 Debt Service Fund Budgetary Comparative Schedule	107

STATISTICAL SECTION (unaudited)

Financial Trends:	
J-1 Net Position by Component	109
J-2 Changes in Net Position	110
J-3 Fund Balance – Governmental Funds	113
J-4 Changes in Fund Balances – Governmental Funds	114
J-5 General Fund Other Local Revenue by Source	115
Revenue Capacity:	
J-6 Assessed Value & Estimated Actual Value of Taxable Property	116
J-7 Direct & Overlapping Property Tax Rates	117
J-8 Principal Property Tax Payers	118
J-9 Property Tax Levies & Collections	119
Debt Capacity:	
J-10 Ratio of Outstanding Debt to Type	119
J-11 Ratio of General Bonded Debt Outstanding	120
J-12 Ratio of Overlapping Governmental Activities Debt	120
J-13 Legal Debt Margin Information	121
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	122
J-15 Principal Employers	N/A
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	N/A
J-17 Operating Statistics	123
J-18 School Building Information	N/A
J-19 Schedule of Required Maintenance	124
J-20 Insurance Schedule	125

OUTLINE OF CAFR — (continued):

PAGE

K. SINGLE AUDIT SECTION

K-1	Report on Compliance and on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	127
K-2	Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and New Jersey OMB Circular 25-08	129
K-3	Schedule of Expenditures of Federal Awards, Schedule A	133
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	135
K-5	Notes to Schedules of Awards and Financial Assistance	137
K-6	Schedule of Findings and Questioned Costs	139
K-7	Financial Statement Findings	141
K-8	Summary Schedule of Prior Audit Findings	145 (concluded)

INTRODUCTORY SECTION

WILLINGBORO PUBLIC SCHOOLS

WILLINGBORO, NEW JERSEY 08046-2847



KELVIN L. SMITH, CPA, MBA
BUSINESS ADMINISTRATOR/BOARD SECRETARY

COUNTRY CLUB ADMINISTRATION BUILDING
440 BEVERLY-RANCOCAS ROAD
TELEPHONE: (609)835-8600 EXT. 1020
FAX: (609)871-1566

January 25, 2019

The Honorable President and
Members of the Board of Education
Willingboro Township School District
Burlington County, New Jersey 08046

Dear Board Members:

The comprehensive annual financial report of the Willingboro Township School 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 administration of the Board of Education. To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and the results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes the transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules and the auditor's report. 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 conformance with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations", and the state treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** The Willingboro Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by National Center for Governmental Accountants Statement No. 3. All fund account groups of the District are included in this report. The Willingboro Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education programs. The District completed the 2017-2018 fiscal year with an average daily enrollment of 3484, which is 186 students less than the previous year's average enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2017-2018	3484	18.73%
2016-2017	3670	0.16%
2015-2016	3664	(-0.02%)
2014-2015	3739	2.79%
2013-2014	3605	(7.22%)
2012-2013	4104	(7.53%)

2) MAJOR INITIATIVES:

- The School District made a substantial investment in improving the technology and curriculum and instruction department to enhance the academic profile of the students. Also, the creation of two ECDC sites and the major District reorganization necessitated by the State's approval of the expansion of a local Charter School.

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

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

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

4) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. The final budget amount as amended for the fiscal year is presented in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2018.

5) **BASIS OF ACCOUNTING:** The District’s accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in “Notes to the Financial Statements”, Note #1E.

6) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District meets its responsibility for financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund. Revenues for the fiscal year ended June 30, 2018 and the amount and percentage of increases (decreases) in relation to prior year revenues.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2018 and the amount and percentage of increases (decreases) in relation to prior year amounts:

State Sources	48,798,428	58.14%	1,198,641	2.52%
Federal Sources	2,431,784	2.90%	(243,274)	-9.09%
Total Revenue	<u>83,928,945</u>	<u>100.00%</u>	<u>1,173,278</u>	<u>1.42%</u>

<u>Expenditures</u>	<u>2017-2018 Actual</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2017</u>	<u>Percentage Increase (Decrease)</u>
Operating	79,087,728	96.89%	2,286,195	2.98%
Capital Outlay	679,720	0.83%	524,410	77.15%
Debt Services	1,857,932	2.28%	(8,249)	-0.90%
Total Expenditures	<u>81,625,380</u>	<u>100.00%</u>	<u>2,802,356</u>	<u>3.56%</u>

7) **DEBT ADMINISTRATION:** At June 30, 2018, the District’s outstanding debt issues included \$21,210,000 general obligation bonds.

8) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in “Notes to the Financial Statements”, Note #2. The District has adopted an investment policy,

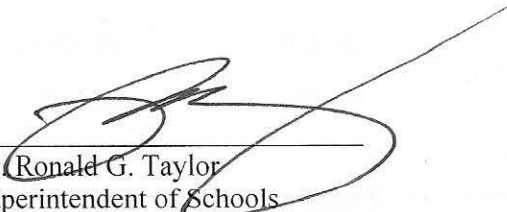
which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

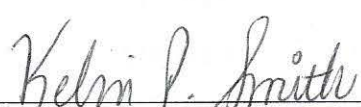
10) **INDEPENDENT AUDIT**: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board approved the accounting firm of Brent Lee & Co. LLC during the meeting of March 28, 2018. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements (Uniform Guidance) and State Treasury Circular Letter 15-08 OMB. The auditor’s report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

11) **ACKNOWLEDGEMENTS**: We would like to express our appreciation to the Willingboro Township Board of Education for its concern for providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing its full support to the ongoing improvement of the financial operation. The preparation of this report could not have been accomplished without the dedicated services of the District staff.

Respectfully submitted,



Dr. Ronald G. Taylor
Superintendent of Schools



Kelvin L. Smith, CPA, MBA
Business Administrator/Board Secretary

WILLINGBORO PUBLIC SCHOOLS

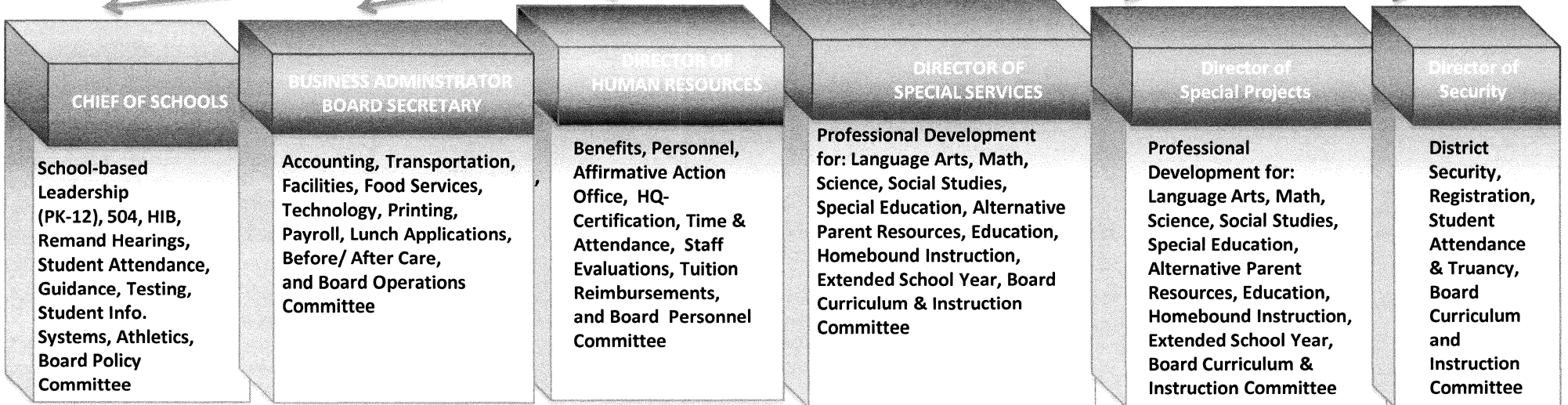
WILLINGBORO BOARD OF EDUCATION

SUPERINTENDENT OF SCHOOLS

DEPUTY SUPERINTENDENT OF SCHOOLS

School-based Leadership, Special Services, Business Administration & Operations, Human Resources, NJQSAC, Security, Special Projects, ESL, Early Childhood, Nursing, Registration, Student Attendance, NCLB Grants, and Board Curriculum & Instruction Committee

- 5 -



WILLINGBORO BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2018

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Tonya Brown, President	2020
Kimbrali Davis, Vice President	2019
Grover Mckenzie	2019
Dennis Tunstall	2019
Sarah Holley	2018
Felicia Hopson	2018
Gary Johnson	2020
Debra Williams	2020
Jennifer Noble-Slaton	2018

OTHER OFFICIALS

Dr. Ronald G. Taylor, Superintendent of Schools

Kelvin Smith, Business Administrator/Board Secretary

Dr. Dale Talbert, Assistant Superintendent

Ms. Teresa-Ann Lucas, Assistant Superintendent

Dr. Melody Alegria, Director of Special Services

WILLINGBORO BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

BRENT W. LEE & CO., LLC
Certified Public Accounting Firm
3008 New Albany Road
Cinnaminson, New Jersey 08077

ATTORNEYS

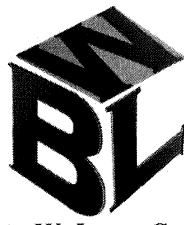
Lester Taylor, Esq.
FLORIO, PERRUCCI, STEINHARDT & FADER
ATTORNEYS AT LAW
235 Broubalow Way
Phillipsburg, NJ 08865

OFFICIAL DEPOSITORIES

TD Bank
336 Route 70 East
Marlton, New Jersey 08053

This Page Intentionally Left Blank

FINANCIAL SECTION



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Willingboro Township School District
County of Burlington
Willingboro, New Jersey 08046

I have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Willingboro Township Board of Education, in the County of Burlington, State of New Jersey, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis and Budgetary Comparison Information, as listed on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Willingboro Township School District Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and was derived from and relates 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 standard generally accepted in the United States of America by me. In my opinion, based on my audit, the procedures performed as described above, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated January 25, 2019 on my consideration of the Willingboro Township School District Board of Education's internal control structure over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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 District's internal control over financial reporting and compliance.

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Licensed Public School Accountant No. 700

Cinnaminson, New Jersey
January 25, 2019

This Page Intentionally Left Blank

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WILLINGBORO TOWNSHIP PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

The discussion and analysis of the Willingboro Township Public School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the notes to the basic financial statements and other financial statements to enhance their understanding of the District's financial performance.

Financial Highlights-2018

Net Position totaled \$18,153,002, which represents a \$2,211,504 decrease from 2016-2017. The decrease is mostly due to a reduction in grant receivables and an increase in pension liability.

General Fund revenues accounted for \$77,783,409 in revenue or 92.68% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, accounted for \$4,287,604, 5.11% of the total revenue, the remainder was the debt service in the amount of \$1,857,932 or 2.21% of total revenue in the amount of \$83,928,945.

The District had \$81,625,380 in expenses; special revenue funds accounted for \$4,287,547 and debt service \$1,857,932 and permanent funds in the amount of \$625. Note: The remaining amount of \$75,479,276 is in the General Fund.

Among major funds, the General Fund had \$77,783,409 in revenues and \$75,479,276 in expenditures. The General Fund's fund balance is \$3,994,609.

Using this Comprehensive Annual Financial Report (CAFR)

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Willingboro Township Public School District as a financial whole, an entire operating entity. The statements then proceed to provide a detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. Governmental fund statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in one column. In the case of the Willingboro Township Public School District, the General Fund is by far the most significant.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

This document contains all funds used by the District to provide programs and activities, viewing the District as a whole and reports the culmination of all financial transactions. The report answers the question “How We Did Financially during Fiscal Year 2018.” The Statement of Net Position and the Statement of activities provides the summary. The statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the District’s net position and changes in net position. This change in net assets is important because they report on whether the District’s financial position has improved or diminished.

In the Statement of Net Position and the Statement of Activities, the District is divided into two types of activities:

Governmental Activities - All of the District’s programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and Community School Enterprise Funds are reported as business activities.

Reporting the District’s Most Significant Funds

Fund Financial Statement

The Analysis of the District’s major funds provides detailed information about the District’s major funds. The District’s major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The District’s activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method, which measures cash and all other financial assets

That can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities. The reporting of this fund did not change with the conversion to GASB 34.

The District as a Whole

Table I provides a comparative summary of the District’s net position for 2018 and 2017.

Table I – Net Position

The District’s combined net position were \$18,153,002 on June 30, 2018. This is a decrease of 11.73% from the previous fiscal year.

Net Position	30-Jun-18	30-Jun-17
Invested in Capital Assets, Net of Debt	\$ 35,326,771	37,439,018
Restricted For:		
Other Purposes	4,779,636	5,439,338
Unrestricted	(21,953,405)	(22,313,850)
Total Net Position	\$ <u>18,153,002</u>	\$ <u>20,564,506</u>

Government Activities

Property taxes as approved by the voters of the Willingboro Township made up 39% of revenues for governmental activities for the fiscal year 2018. The District’s total revenues were \$83,928,945 for the year ended June 30, 2018. Federal, state, local grants and miscellaneous account for the other 61% of revenue.

Revenue for Fiscal Year 2018

<u>Revenue</u>	<u>FY 2018</u>
Tax Levy	32,317,925
Tuition Charges	132,863
Miscellaneous	247,945
State Services	48,798,428
Federal Sources	<u>2,431,784</u>
Total	<u>\$83,928,945</u>

Expenses for Fiscal Year 2018

The total cost of all programs and services was \$81,625,380 Instruction and out of district tuition comprises 31.7% of the District's expenses.

<u>Expense</u>	<u>FY 2018</u>
Instruction	19,547,386
Out of District Placement	6,367,339
Undistributed Expenditures	53,172,378
Capital Outlay	679,720
Debt Service	1,857,932
Scholarships Awarded	<u>625</u>
Total	<u>\$81,625,380</u>

Business-Type Activities

Revenues for the District's business-type activities (food service and the before and after school program) were comprised of charges for services and federal and state reimbursements.

Food service expenses exceeded revenues by \$104,217. Charges for services represent 100% of revenue. This represents the amount paid by patrons for daily food service and catering.

Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$1,771,956.

Before and after school program revenues exceeded expenses by \$45,639 Charges for services represent 100% of revenue. This represents the amount paid by patrons for tuition.

Governmental Activities

The Comparative Statement of Activities (Table 3) shows the cost of program services for 2017-2018 compared to 2016-2017.

Table 3 – Comparative Statement of Activities

	<u>2017-2018</u>	<u>2016-2017</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Instruction (Excluding Grants)	19,547,386	18,924,343	623,043	3.29%
Co/Extra Curricular Activities	1,704,901	1,573,121	131,780	8.38%
Special Education Instruction	4,662,438	4,756,051	(93,613)	-1.97%
Attendance, Health, Student & Related Services (Excluding Grants)	7,084,542	6,233,476	851,066	13.65%
Library com	850,840	726,244	124,596	17.16%
Improvement of Instruction Services	689,211	422,770	266,441	63.02%
General and School Administration	3,630,126	4,584,662	(954,536)	-20.82%
Central Services & Adm Info Technology	936,125	1,080,151	(144,026)	-13.33%
Plant Operations and Maintenance	7,446,979	7,090,880	356,099	5.02%
Pupil Transportation	3,792,039	3,743,123	48,916	1.31%
Fringe Benefits	9,751,248	9,230,876	520,372	5.64%
Scholarships	625	724	(99)	-13.67%
Capital Outlay	679,720	155,310	524,410	337.65%
Tuition	9,240,020	9,204,236	35,784	0.39%
Debt Service	1,857,932	1,866,181	(8,249)	-0.44%
Total District Obligations	<u>71,874,132</u>	<u>69,592,148</u>	<u>2,281,984</u>	3.28%
Fringe Obligations of the State	<u>9,751,248</u>	<u>9,230,876</u>	<u>520,372</u>	5.34%
Grand Total	<u>81,625,380</u>	<u>78,823,024</u>	<u>2,802,356</u>	3.43%

Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular and co-curricular activities.

Extracurricular and co-curricular activities include expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership.

Attendance, Health, Medical and other support services initiate activities that enable students to receive instruction and support.

Improvement of instruction staff includes the activities involved with assisting staff with the content and process of teaching students, including curriculum and staff development.

General administration, school administration, central services and administrative information technology include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, to school co-curricular, athletic activities and co-curricular field trips as provided by state law.

Special Schools include the Adult High School. Capital Outlay includes improvement to school facilities and equipment. Debt Services include current payments for long-term debt.

The District's Funds

Information about the District's major funds starts on page 26 these funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$83,928,945.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal years ended June 30, 2018 and June 30, 2017 and the amount of increases and decreases in relation to prior year expenditures.

Instruction increased by \$623,043 primarily due to increase in purchase of technology equipment, textbooks purchases, and efficient programing of professional development.

Co-curricular and extracurricular activities expenses increased by \$131,780 this increase was due to benefit of refocusing resources in the area on instruction to enhance student learning in 2017-2018.

Special Education Instruction decreased by \$93,613; as a result of purchasing more funds out of federal sources.

Attendance, health, and student support services increased by \$851,066 due to increase in purchased professional services.

Library and media services costs increased by \$124,596 due to more media activity for the district.

Improvement of instructional services increased by \$266,441 due to increase in professional development, services and materials.

General and school administration decreased by \$954,536 due to organizational leadership and substitute staffing.

Central services and administrative information technology costs decreased by \$144,026 because of realignment of staff.

Plant operation and required maintenance costs increased by \$356,099, because of aggressive maintenance and purchase of green products. Improvements that took place at Twins Hills with the parking lot and security area.

Pupil transportation cost increased by \$48,916 due to increase transportation of the district's special education students, homeless students, and other types of student population outside of the normal budgeted items.

Fringe benefit costs increased by \$520,372; this was primarily due to increase in health benefit cost.

Scholarships awarded decreased by \$99.

Capital outlay costs increased by \$524,410 due to the completion of site improvements and purchasing a front loader in 2017-2018.

Debt service costs decreased by \$8,249; due to decreasing interest payable on the bond approved in the year 2009-2010.

Tuition increase by \$35,784 due to sending more students out of district for needed services. The increase declined at about 85%.

Comparative Summary of Revenues

<u>Revenues</u>	<u>2017 - 2018</u>		<u>2016 - 2017</u>		<u>Increase (Decrease) from 2016-17 to 2017-18</u>
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	
Local Sources	\$ 32,317,925	38.5	\$ 32,480,822	39.2	\$ (162,897)
State Sources	49,179,236	58.6	47,599,787	57.5	1,579,449
Federal Sources	2,431,784	2.9	2,675,058	3.2	(243,274)
	<u>\$ 83,928,945</u>	<u>100.0</u>	<u>\$ 82,755,667</u>	<u>100.0</u>	<u>\$ 1,173,278</u>

There was a decrease in Local Funding of \$162,897, due to decreases in tuition charges and miscellaneous sources.

There was an overall increase in funding for State Sources in the amount of \$1,579,449, primarily due to increase in Preschool Funding.

There was a decrease in funding for Federal Sources in the amount of \$243,274.

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of revenues, expenditures and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2018, the district amended its General Fund budget as appropriated. Transfers from one program to another must be approved by the Board of Education.

At the end of the fiscal year 2018, the District had \$115,666,522 invested in land, buildings, furniture and equipment and vehicles. Table 4 shows fiscal 2018 balances compared to 2017.

Table 4 - Capital Assets at June 30

		<u>2018</u>	<u>2017</u>
Land/Sites	\$	1,508,465 \$	1,508,465
Buildings and Improvements		105,501,763	105,110,827
Machinery and Equipment		<u>9,623,999</u>	<u>9,240,199</u>
Totals	\$	<u>116,634,227 \$</u>	<u>115,859,491</u>

Overall capital assets increased by \$774,736 from fiscal year 2017 to fiscal year 2018 primarily due to the completion of site improvements and purchasing a front loader in 2017-2018.

For the Future

The Willingboro Board of Education continues to emphasize the improvement of instruction and student achievement. Programs implemented during the past five years were supported in the 2017-2018 Budgets with emphasis of improving test scores. The Board will continue to support funding to improve the centralized student enrollment center; the summer curriculum development program; improved delivery of services in Math and Language Arts; and special education classes at the elementary level.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, you may contact Kelvin L. Smith, CPA, MBA, Business Administrator/Board Secretary, Willingboro Township Public Schools, Country Club Administration Building, and 440 Beverly-Rancocas Road, Willingboro, New Jersey 08046.

BASIC FINANCIAL STATEMENTS

A. District – Wide Financial Statements

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$7,228,069	749,586	7,977,655
Receivables, Net	2,360,386	567,655	2,928,041
Inventory		622	622
Restricted Assets:			
Cash & Cash Equivalents	442		442
Capital Assets, Net (Note 4)	56,491,071	161,577	56,652,648
Total Assets	66,079,968	1,479,440	67,559,408
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	5,835,363	58,943	5,894,306
Total Deferred Outflows of Resources	5,835,363	58,943	5,894,306
LIABILITIES			
Accounts Payable	3,929,022	564,551	4,493,573
Accrued Interest	285,004		285,004
Other Liabilities	723,201		723,201
Unearned Revenue	838,107	14,260	852,367
Net Pension Liability	20,287,431	204,924	20,492,355
Noncurrent Liabilities (Note 5):			
Due Within One Year	1,027,573		1,027,573
Due Beyond One Year	22,021,175		22,021,175
Total Liabilities	49,111,513	783,735	49,895,248
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	5,351,409	54,055	5,405,464
Total Deferred Inflows of Resources	5,351,409	54,055	5,405,464
NET POSITION			
Invested in Capital Assets, Net of Related Debt	35,165,194	161,577	35,326,771
Restricted For:			
Other Purposes	4,779,636		4,779,636
Unrestricted	(22,492,421)	539,016	(21,953,405)
Total Net Position	\$17,452,409	700,593	18,153,002

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$19,545,096		2,591,599	(16,953,497)		(16,953,497)
Special Education	4,662,438			(4,662,438)		(4,662,438)
Other Special Instruction						
Other Instruction	1,704,901			(1,704,901)		(1,704,901)
Support Services & Undistributed Costs:						
Tuition	9,240,020			(9,240,020)		(9,240,020)
Attendance & Social Work Services	347,188			(347,188)		(347,188)
Health Services	680,830			(680,830)		(680,830)
Student & Instruction Related Services	6,056,523		1,684,650	(4,371,873)		(4,371,873)
Educational Media Services/ School Library	850,840			(850,840)		(850,840)
Instructional Staff Training	689,211			(689,211)		(689,211)
School Administrative Services	1,254,434			(1,254,434)		(1,254,434)
Other Administrative Services	2,375,692			(2,375,692)		(2,375,692)
Central Services	931,841			(931,841)		(931,841)
Plant Operations & Maintenance	7,446,979			(7,446,979)		(7,446,979)
Pupil Transportation	3,792,039			(3,792,039)		(3,792,039)
Unallocated Benefits	19,502,497		7,633,264	(11,869,233)		(11,869,233)
Transfer to Charter School	2,966,373			(2,966,373)		(2,966,373)
Scholarship Awarded	625			(625)		(625)
Nonbondable Capital Assets	62,315			(62,315)		(62,315)
Interest on Long-Term Debt	866,546			(866,546)		(866,546)
Increase in Pension Liability	402,625			(402,625)		(402,625)
Unallocated Depreciation	3,801,518			(3,801,518)		(3,801,518)

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Total Governmental Activities	87,180,531		11,909,513	(75,271,018)		(75,271,018)
Business-Type Activities:						
Food Service	2,385,185	509,012	1,771,956		(104,217)	(104,217)
Day Care Program	750,547	704,908			(45,639)	(45,639)
Total Business-Type Activities	3,135,732	1,213,920	1,771,956		(149,856)	(149,856)
Total Primary Government	\$90,316,263	1,213,920	13,681,469	(75,271,018)	(149,856)	(75,420,874)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				30,459,993		30,459,993
Taxes Levied for Debt Service				1,857,932		1,857,932
Federal & State Aid Not Restricted				39,335,426		39,335,426
Tuition Received				132,863		132,863
Miscellaneous Income				233,218		233,218
Transfer in				270,756		270,756
Decrease in Compensated Absences Liability				244,182		244,182
Decrease in Other Liability				675,000		675,000
Total General Revenues, Special Items, Extraordinary Items & Transfers				73,209,370		73,209,370
Change In Net Position				(2,061,648)	(149,856)	(2,211,504)
Net Position - Beginning				19,514,057	850,449	20,364,506
Net Position - Ending				\$17,452,409	700,593	18,153,002

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

Page Intentionally Left Blank

B. Fund Financial Statements

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2018**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	TOTAL
Assets:						
Cash & Cash Equivalents	\$6,570,481	618,150	442	3	39,435	7,228,511
Due From Other Funds	352,211		64,078			416,289
Receivables From Other Governments	982,331	1,056,276				2,038,607
Other Receivables	68,257					68,257
Total Assets	\$7,973,280	1,674,426	64,520	3	39,435	9,751,664
Liabilities & Fund Balances:						
Liabilities:						
Accounts Payable	3,140,904	788,118				3,929,022
Payable to Other Governments		48,201				48,201
Other Liabilities	675,000					675,000
Interfund Payable	162,767					162,767
Unearned Revenue		838,107				838,107
Total Liabilities	3,978,671	1,674,426				5,653,097
Fund Balances:						
Restricted For:						
Excess Surplus	2,341,903					2,341,903
Excess Surplus Designated for Subsequent Year's Expenditures	1,674,578					1,674,578
Additional Excess Surplus Designated for Subsequent Year's Expenditures	659,197					659,197
Debt Service Fund				3		3
Capital Projects Fund						
Special Revenue Fund						
Permanent Fund					39,435	39,435
Committed to:						
Other Purposes			64,520			64,520
Assigned to:						
Designated for Subsequent Year's Expenditures						
Unassigned:						
General Fund	(681,069)					(681,069)
Total Fund Balances	3,994,609		64,520	3	39,435	4,098,567
Total Liabilities & Fund Balances	\$7,973,280	1,674,426	64,520	3	39,435	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$115,692,547 and the accumulated depreciation is \$59,201,476.	56,491,071
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements.	5,835,363
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements.	(5,351,409)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds	(20,287,431)
Accrued Interest is not recorded in the fund statements	(285,004)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Illustrative Note 5)	<u>(23,048,748)</u>
Net Position of Governmental Activities	<u>\$17,452,409</u>

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	TOTAL
Revenues:						
Local Tax Levy	\$30,459,993			1,857,932		32,317,925
Tuition Charges	132,863					132,863
Miscellaneous	233,161	14,727			57	247,945
State Sources	46,821,707	1,976,721				48,798,428
Federal Sources	135,685	2,296,099				2,431,784
Total Revenues	77,783,409	4,287,547		1,857,932	57	83,928,945
Expenditures:						
Current:						
Regular Instruction	16,955,787	2,591,599				19,547,386
Special Education Instruction	4,662,438					4,662,438
Other Instruction	1,704,901					1,704,901
Support Services & Undistributed Costs:						
Tuition	9,240,020					9,240,020
Attendance & Social Work Services	347,188					347,188
Health Services	680,830					680,830
Student & Instruction Related Services	4,386,600	1,669,923				6,056,523
Educational Media Services/School Library	850,840					850,840
Instructional Staff Training	689,211					689,211
General Administrative Services	1,254,434					1,254,434
Other Administrative Services	2,375,692					2,375,692
Central Services	936,125					936,125
Plant Operations & Maintenance	7,446,979					7,446,979
Pupil Transportation	3,792,039					3,792,039
Unallocated Benefits	19,502,497					19,502,497
Scholarships Awarded					625	625
Debt Service:						
Principal				975,000		975,000
Interest				882,932		882,932
Capital Outlay	653,695	26,025				679,720
Total Expenditures	75,479,276	4,287,547		1,857,932	625	81,625,380
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	2,304,133				(568)	2,303,565
Other Financing Sources/(Uses):						
Transfer in	270,756					270,756
Transfer to Charter School	(2,966,373)					(2,966,373)
Total Other Financing Sources	(2,695,617)					(2,695,617)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources	(391,484)				(568)	(392,052)
Fund Balance - July 1	4,386,093		64,520	3	40,003	4,490,619
Fund Balance - June 30	\$3,994,609		64,520	3	39,435	4,098,567

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$392,052)

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

Capital Lease Adjustment (145,611)

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

Depreciation Expense	(3,801,518)	
Capital Outlays	711,927	(3,089,591)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 975,000

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 57,663

Accrued interest is not recorded in the governmental funds, but is expensed in the statement of net position.

Current Year	(285,004)	
Prior Year	301,390	16,386

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including services and interest costs, administrative costs, investment returns, and experience/assumptions. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. (402,625)

Repayment of Compensated Absences is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position, and is not reported in the statement of activities. 244,182

Repayment of Other Liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position, and is not reported in the statement of activities. 675,000

Change in Net Position of Governmental Activities (\$2,061,648)

See accompanying notes to the financial statements.

Page Intentionally Left Blank

Proprietary Funds

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2018**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	DAY CARE	TOTAL
Current Assets:			
Cash & Cash Equivalents	\$20,787	728,799	749,586
Interfund Accounts Receivable	98,689		98,689
Due from Other Governments	420,504		420,504
Other Accounts Receivable	39,697	8,765	48,462
Inventories	622		622
Total Current Assets	580,299	737,564	1,317,863
Noncurrent Assets:			
Furniture, Machinery & Equipment	914,566	27,114	941,680
Less: Accumulated Depreciation	752,989	27,114	780,103
Total Noncurrent Assets	161,577		161,577
Total Assets	741,876	737,564	1,479,440
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows		58,943	58,943
Total Deferred Outflows of Resources		58,943	58,943
LIABILITIES			
Current Liabilities:			
Accounts Payable	254,939	12,757	267,696
Interfund Accounts Payable	166,577	130,278	296,855
Pension Liability		204,924	204,924
Unearned Revenue		14,260	14,260
Total Liabilities	421,516	362,219	783,735
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows		54,055	54,055
Total Deferred Inflows of Resources		54,055	54,055
NET POSITION			
Investment in Capital Assets, Net of Related Debt	161,577		161,577
Unrestricted	158,783	380,233	539,016
Total Net Position	\$320,360	380,233	700,593

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2018**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$280,522		280,522
Daily Sales - Nonreimbursable Programs	202,268		202,268
Special Functions	26,222		26,222
Tuition & Fees		704,908	704,908
			<hr/>
Total Operating Revenues	509,012	704,908	1,213,920
			<hr/>
Operating Expenses:			
Cost of Sales - Reimbursable Programs	736,271		736,271
Cost of Sales - Non-Reimbursable Programs	43,690		43,690
Salaries	830,635	467,207	1,297,842
Management Fee	133,900		133,900
Employee Benefits	105,188	84,536	189,724
Cleaning, Repair & Maintenance Services	19,230		19,230
Travel Services	2,676	21,653	24,329
Purchased Services	84,098	11,232	95,330
Insurance	30,902		30,902
Supplies and Materials	215,554	15,919	231,473
Miscellaneous	25,871		25,871
Rent	120,756	150,000	270,756
Depreciation	36,414		36,414
			<hr/>
Total Operating Expenses	2,385,185	750,547	3,135,732
			<hr/>
Operating Income/(Loss)	(1,876,173)	(45,639)	(1,921,812)
			<hr/>
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	23,567		23,567
Federal Sources:			
National School Lunch Program	1,131,466		1,131,466
National School Snack Program	54,106		54,106
National School Breakfast Program	444,611		444,611
Food Distribution Program	118,206		118,206
			<hr/>
Total Nonoperating Revenues/(Expenses)	1,771,956		1,771,956
			<hr/>
Income/(Loss) Before Contributions & Transfers	(104,217)	(45,639)	(149,856)
Total Net Position - Beginning	424,577	425,872	850,449
			<hr/>
Total Net Position - Ending	\$320,360	380,233	700,593
			<hr/> <hr/>

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	FOOD SERVICE	DAY CARE	TOTAL
Cash Flows From Operating Activities:			
Receipts from Customers	\$173,292	714,325	887,617
Payments to Employees	(830,635)	(467,207)	(1,297,842)
Payments for Employee Benefits	(105,188)	(84,536)	(189,724)
Payments to Suppliers	(1,311,625)	(248,989)	(1,560,614)
	<hr/>		
Net Cash Provided/(Used) by Operating Activities	(2,074,156)	(86,407)	(2,160,563)
	<hr/>		
Cash Flows From Noncapital Financing Activities:			
State Sources	23,567		23,567
Federal Sources	1,630,183		1,630,183
	<hr/>		
Net Cash Provided/(Used) by Noncapital Financing Activities	1,653,750		1,653,750
	<hr/>		
Cash Flows From Capital & Related Financing Activities:			
Obligations Under Service Agreements	(62,809)		(62,809)
	<hr/>		
Net Cash Provided/(Used) by Capital & Related Financing Activities	(62,809)		(62,809)
	<hr/>		
Net Increase/(Decrease) in Cash & Cash Equivalents	(483,215)	(86,407)	(569,622)
Balances - Beginning of Year	504,002	811,138	1,315,140
	<hr/>		
Balances - End of Year	\$20,787	724,731	745,518
	<hr/> <hr/>		
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	(\$1,876,173)	(45,639)	(1,921,812)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	36,414		36,414
Commodities Received	118,206		118,206
Increase/(Decrease) in Unearned Revenue		(7,820)	(7,820)
(Increase)/Decrease in Accounts Receivable, Net	(267,663)	17,237	(250,426)
(Increase)/Decrease in Inventories	(414)		(414)
Increase/(Decrease) in Interfund Payable	(186,263)	(60,208)	(246,471)
Increase/(Decrease) in Accounts Payable	101,737	10,023	111,760
	<hr/>		
Total Adjustments	(197,983)	(40,768)	(238,751)
	<hr/>		
Net Cash Provided/(Used) by Operating Activities	(\$2,074,156)	(86,407)	(2,160,563)
	<hr/> <hr/>		

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

Page Intentionally Left Blank

Fiduciary Fund

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018

ASSETS	PRIVATE PURPOSE		AGENCY		TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	PAYROLL AGENCY FUND	STUDENT ACTIVITY FUND	
Cash & Cash Equivalents	\$424,084	39,435	739,012	131,733	1,334,264
Interfunds Receivable	162,375				162,375
Total Assets	586,459	39,435	739,012	131,733	1,496,639
LIABILITIES					
Payable to Student Groups				131,733	131,733
Interfunds Payable			217,731		217,731
Payroll Deductions & Withholdings			521,281		521,281
Total Liabilities			739,012	131,733	870,745
NET POSITION					
Held in Trust for Unemployment Claims & Other Purposes	586,459				586,459
Reserved for Scholarships		39,435			39,435
Total Net Position	\$586,459	39,435	-	-	625,894

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

ADDITIONS	PRIVATE PURPOSE			TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	WORKERS COMPENSATION TRUST	
Contributions:				
Other	\$130,302			130,302
Total Contributions	130,302			130,302
Investment Earnings:				
Interest	1,746	57	1,867	3,670
Net Investment Earnings	1,746	57	1,867	3,670
Total Additions	132,048	57	1,867	133,972
DEDUCTIONS				
Workers Compensation			1,867	1,867
Scholarships Awarded		625		625
Total Deductions	76,530	625	1,867	79,022
Change in Net Position	55,518	(568)		54,950
Net Position - Beginning of the Year	530,941	40,003		570,944
Net Position - End of the Year	\$586,459	39,435		625,894

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

NOTES TO FINANCIAL STATEMENTS

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Willingboro Township Board of Education have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

A. Reporting Entity

The Willingboro Township Board of Education is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Willingboro Township Board of Education has an approximate enrollment at June 30, 2017 of 3,670 students.

B. Component Unit

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.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Financial Statements - The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1. Summary of Significant Accounting Policies (continued):

Governmental Fund Financial Statements — The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Fund Accounting:

The accounts of the Willingboro Township Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of the Willingboro Township Board of Education and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education Willingboro Township Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings 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).

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Permanent Fund — Resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the reporting governments programs, that is for the benefit of the government or its citizenry.

Proprietary Fund

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 Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed 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 and Day Care Fund.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (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 total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

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

Food Service Fund & Day Care Fund:	
Equipment	5 Years
Light Trucks & Vehicle	5 Years
Heavy Trucks & Vehicle	5 Years

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds.

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund, Scholarship Fund and Workers Compensation Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds.

E. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1. Summary of Significant Accounting Policies (continued):

E. Basis of Accounting (continued):

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net 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 position.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified 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.

In its accounting and financial reporting, the Willingboro Township Board of Education follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The Willingboro Township Board of Education's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose 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.

F. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the first Tuesday in November. Budgets are prepared using the modified

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1. Summary of Significant Accounting Policies (continued):

F. Budgets/Budgetary Control: (continued):

accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the 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 budget, as detailed on Exhibit C-1, includes all amendments to the adopted budget, if any.

The following presents a reconciliation of the special revenue fund revenues and expenditures 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 Revenues 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:

**Notes to Required Supplementary information
Budgetary Comparison Schedule**

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$77,960,429	\$4,287,547

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 1. Summary of Significant Accounting Policies (continued):

F. Budgets/Budgetary Control: (continued):

	General Fund	Special Revenue Fund
Difference — Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	\$3,614,918	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(3,791,938)</u>	_____
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$77,783,409</u>	<u>\$ 4,287,547</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) “total outflows” from the budgetary comparison schedule	<u>\$75,479,276</u>	<u>\$ 4,287,547</u>
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	_____	_____
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$75,479,276</u>	<u>\$ 4,287,547</u>

G. 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 Willingboro Township Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1. Summary of Significant Accounting Policies (continued):

G. Encumbrances (continued):

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.

H. 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 as to the types of investments and types of financial institutions they may invest in. *N.J.S.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 the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from 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.

I. Tuition Receivable/Payable

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.

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2017, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2015-2016 have been established. According to the School District's records, these amounts are adjustments in the financial statements.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 1. Summary of Significant Accounting Policies (continued):

J. Inventories & Prepaid Expenses

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

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

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2018.

K. 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 Willingboro Township Board of Education and that are due within one year.

L. Capital Assets:

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Machinery & Equipment	3 - 20 Years
Building & Other Improvements	7 - 60 Years
Infrastructure	30 Years

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2018 for such salaries.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1. Summary of Significant Accounting Policies (continued):

N. 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.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

O. Unearned Revenue

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

P. Long-term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

Q. Fund Balance Disclosure

In accordance with Government Accounting Standards Board, Fund Balance Reporting and Governmental Fund Type Definitions, the Willingboro Township Board of Education classifies governmental fund balances as follow:

- Non-spendable – includes fund balance amount that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018

Q. Fund Balance Disclosure (continued):

The Willingboro Township Board of Education uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance are available, unless prohibited by law or regulation. Additionally, the Willingboro Township Board of Education would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

R. Net Position

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

S. Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the year ended June 30, 2018:

Statement 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*. This statement replaces the requirements of GASB 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, as amended, Statement 57, *OPEB Measurements by Agency Employers and Agent Multi-Employer Plans*, for OPEB Statement 74, *Financial Reporting for Post-employment Benefit Plan Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans. The adoption of this statement did have an impact on the School District's financial statements.

Statement 80, *Blending Requirements for Certain Component Units* – an amendment of GASB Statement 14. The objective of this statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This statement amends the blending requirements established in paragraph 53 of statement 14, *The Financial Reporting Entity*, as amended. The adoption of this statement had no impact on the School District's financial statements.

Statement 81, *Irrevocable Split-Interest Agreements*, The objective of this statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The adoption of this statement had no impact on the School District's financial statements.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

S. Impact of Recently Issued Accounting Principles (continued):

Statement 82, *Pension Issues – an amendment of GASB Statement 67, 68 and 73*. The objective of this statement is to address certain issues that have been raised with respect to Statement 67, *Financial Reporting for Pension Plans*, Statement 68, *Accounting and Financial Reporting for Pensions*, and Statement 73, *Accounting and Financial Reporting for Pensions, and Related Assets that are not within the Scope of GASB Statement 68 and Amendment to Certain Provisions of GASB Statement 67 and 68*. The adoption of this statement had no impact on the School District's financial statements.

Statement 85, *Omnibus 2017*. This statement provides guidance that addresses several different accounting and financial reporting issues identified during the implementation and application of other GASB pronouncements. The adoption of this statement had no impact on the School District's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following statements which will become effective in future fiscal years:

Statement 83, *Certain Asset Retirement Obligations*. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Statement 83 establishes guidance for determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to such obligations. The requirements of this statement are effective for reporting periods beginning after June 30, 2018. Management does not expect this statement to have a material impact on the School District's financial statements.

Statement 84, *Fiduciary Activities*. The statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement 84 is effective for the reporting period beginning after December 31, 2018. Management does not expect this statement to have a material impact on the School District's financial statements.

Statement 86, *Accounting for Certain Debt Extinguishment*. Statement 86 provides guidance for transactions in which cash and other monetary assets acquired with only existing resources, that is, resources other than the proceeds of refunding debt, are placed in an irrevocable trust for the sole purpose of extinguishing debt. Statement 86 is effective for the period beginning after June 15, 2017. Management does not expect this statement to have a material impact on the School District's financial statements. Statement 87, *Leases*. Statement 87 establishes single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing the right to use an underlying asset. Statement 87 is effective for the reporting period beginning after December 15, 2019. Management does not expect this statement to have a material impact on the School District's financial statements.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018

S. Impact of Recently Issued Accounting Principles (continued):

Statement 87, *Leases*. The statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of the financial statements among governments by requiring lessees and lessors to report leases under a single model. Also, the statement will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The requirements of this statement are effective for reporting periods beginning after December 15, 2019. Management does not expect this statement to have a material impact on the School District's financial statements.

Statement 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placement*. The statement will improve financial reporting users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government's future resource flows. The requirements of this statement are effective for reporting periods beginning after June 15, 2018. Management does not expect this statement to have a material impact on the School District's financial statements.

Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This statement will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities. The requirements of this statement are effective for reporting periods beginning after December 15, 2019. Management has not yet determined the potential impact on the School District's financial statements.

T. Subsequent Events

Willingboro Board of Education has evaluated subsequent events occurring after June 30, 2018 through the date of January 25, 2019, which is the date the financial statements were available to be issued. In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

Note 2. Cash and Cash Equivalents and Investments

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2018, and reported at fair value are as follows:

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 2. Cash and Cash Equivalents and Investments (continued):

Type	Carrying Value
Deposits	
Demand Deposits	<u>\$ 8,694,211</u>
Total Deposits	<u>\$ 8,694,211</u>
Reconciliation of Statements of Net Position:	
Governmental Funds	\$ 6,610,361
Enterprise Funds	749,586
Fiduciary Funds	<u>1,334,264</u>
Total Cash and Cash Equivalents	<u>\$ 8,694,211</u>

Custodial Credit Risk — Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$11,053,210 at June 30, 2018. Of the bank balance \$250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$10,803,210 was secured by a collateral pool held by the bank, but not in the District's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk — The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at June 30, 2018 are provided in the above schedule.

Investment Credit Risk — The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the District or bonds or other obligations of the local unit or units within which the District is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District;

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 2. Cash and Cash Equivalents and Investments (continued):

- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk — The District places no limit on the amount it may invest in any one issuer.

The District has deposited cash in 2018 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 2. Cash and Cash Equivalents and Investments (continued):

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Fixed Assets:

The following schedule is a summarization of the general fixed assets by source for the fiscal year ended June 30, 2018:

	June 30, 2017	Additions	June 30, 2018
Land	\$ 1,508,465		1,508,465
Building & Improvements	105,110,827	390,936	105,501,763
Machinery & Equipment	8,361,328	320,991	8,682,319
Construction In-Progress	-		-
Subtotal	114,980,620	711,927	115,692,547
Accumulated Depreciation	<u>(55,399,958)</u>	<u>(3,801,518)</u>	<u>(59,201,476)</u>
Total	<u>\$ 59,580,662</u>	<u>(3,089,591)</u>	<u>56,491,071</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 4. Fixed Assets (continued):

The following schedule is a summarization of the proprietary fund fixed assets recorded at historical cost by source for the fiscal year ended June 30, 2018:

	June 30, 2017	Additions	June 30, 2018
Machinery & Equipment:			
Food Service	\$851,757	62,809	914,566
Day Care	<u>27,114</u>		<u>27,114</u>
Subtotal	878,871	62,809	941,680
Accumulated Depreciation	<u>(743,690)</u>	<u>(36,413)</u>	<u>(780,103)</u>
Net Fixed Assets	<u>\$135,181</u>	<u>26,396</u>	<u>\$161,577</u>

Note 5. Long-Term Debt

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

	Balance 6/30/17	Increases	Retired/ Decreases	Balance 6/30/18	Due Within One Year
Compensated					
Absences Payable	\$ 1,291,610		244,181	1,047,429	
Other Liabilities	1,350,000		675,000	675,000	
Capital Leases					
Payable	28,371	145,611	57,663	116,319	27,573
Bonds Payable	<u>22,185,000</u>		<u>975,000</u>	<u>21,210,000</u>	<u>1,000,000</u>
Total	<u>\$24,854,981</u>	<u>145,611</u>	<u>1,951,844</u>	<u>23,048,748</u>	<u>\$1,027,573</u>

A. Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with state law. All bonds are retired in serial installments within the statutory period of usefulness.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

Note 5. Long-Term Debt (continued):

Principal and interest due on the outstanding serial bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 1,000,000	\$ 848,807	\$ 1,848,807
2020	1,025,000	813,806	1,838,806
2021	1,025,000	777,931	1,802,931
2022	1,050,000	742,056	1,792,056
2023	1,050,000	705,306	1,755,306
2024-2028	5,535,000	2,886,732	8,421,732
2029-2033	6,175,000	1,720,906	7,895,906
2034-2036	4,350,000	383,250	4,733,250
Total	\$ 21,210,000	\$ 8,878,794	\$ 30,088,794

C. Capital Leases Payable

The District is leasing a time management system and a front loader under capital leases totaling \$302,517. All capital leases are for terms of five years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2018:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 27,573	4,137	\$ 31,710
2020	28,554	3,156	31,710
2021	29,570	2,140	31,710
2022	30,622	1,089	31,711
Total	\$116,319	10,522	\$126,841

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 5. Long-Term Debt (continued):

C. Capital Leases Payable (continued):

As of June 30, 2018, the School District has operating lease agreements in effect for the following:

Copiers and a Mailing Machine

Total operating lease payments made during the year ended June 30, 2018 and 2017 were \$49,173 and \$49,173 respectively. Future minimum lease payments are as follows:

Year	Amount
2019	\$ 46,048
2020	36,675
2021	<u>9,169</u>
Total Minimum Lease Payments	<u>\$ 91,892</u>

Note 6. Pension Plans

Plan Descriptions — Substantially all of the 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. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625. In addition, several District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by the State of New Jersey Division of Pensions and Benefits.

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund is a cost-sharing contributory defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114, 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92 P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 6. Pension Plans (continued):

October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years.

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

For the year ended June 30, 2018, the District recognized pension expense of \$11,750,130 and revenue of \$11,750,130 for support provided by the State. Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district.

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

	<u>6/30/17(18)</u>	<u>6/30/16(17)</u>
Collective deferred outflows of resources	\$14,251,854,934	\$17,440,003,201
Collective deferred inflows of resources	11,807,238,433	195,027,919
Collective net pension liability (Non-Employer – State of New Jersey)	67,423,605,859	78,666,367,052
State's portion of net pension liability that was associated with the district	169,615,897	204,925,532
State's portion of the net pension liability That was associated with the district as a percentage of collective net liability	.2515675253%	.2604995493%

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

Investment Rate of Return: 7.00%

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 6. Pension Plans (continued):

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 separately issued State of New Jersey Division of Pensions and Benefits financial report.

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 (State of New Jersey) will be made based on the contribution rate in 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 District's proportionate share of the net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability, because District has no proportionate share of the net pension liability, because of the special funding situation, the district would not be sensitive to any changes in the discount rate.

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 6. Pension Plans (continued):

Public Employees' Retirement System (PERS)

Plan Description - 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 the 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. 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:

<u>Tier</u>	<u>Definition</u>
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 1/5 5th 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 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2016, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 6. Pension Plans (continued):

employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Board of Education contributions to PERS amounted to \$815,519 for 2017.

The employee contribution rate was 7.06% effective July 1, 2015 and increased to 7.20% effective July 1, 2016. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Net Pension Liability and Pension Expense - At June 30, 2018, the District's proportionate share of the PERS net pension liability is valued to be \$20,492,355. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The District's proportion of the net pension liability was based on the Board of Education's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The District's proportion measured as of June 30, 2017, was .08803%, which was a decrease of .00289% from its proportion measured as of June 30, 2016.

	6/30/2018	6/30/2017
Actuarial valuation date	July 1, 2017	July 1, 2016
Net Pension Liability	\$ 20,492,355	\$ 26,927,220
District's portion of the Plan's total Net Pension Liability	0.08803%	0.09092%

For the year ended June 30, 2018, the Board of Education had an allocated pension expense of \$1,238,197.

Actuarial Assumptions – The collective 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:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65 – 4.15% Based on Age
Thereafter	2.65 – 5.15% Based on Age
Investment Rate of Return	7.00%

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018

Note 6. Pension Plans (continued):

Preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 year 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. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for services 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).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer (State of New Jersey) contributed 40% of actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 6. Pension Plans (continued):

Sensitivity of the Board of Education’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>At 1% decrease (4.00%)</u>	<u>At current discount rate (5.00%)</u>	<u>At 1% increase (6.00%)</u>
District’s proportionate Share of pension liability	\$ 20,287,431	\$ 20,492,355	\$ 20,697,278

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

For the year ended June 30, 2018, the District recognized pension expense of \$841,353 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 Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 482,524	\$ -
Changes of assumptions	4,128,503	4,113,368
Net difference between projected and actual earnings on pension plan investments	139,539	
Changes in proportion and differences between District contributions and proportionate share of contributions	328,221	1,292,096
District contributions subsequent to the measurement date	815,519	
Total	<u>\$ 5,894,306</u>	<u>5,405,464</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

Note 6. Pension Plans (continued):

Additional Information

Collective balances at June 30, 2017 and 2016 as follows:

	<u>6/30/17</u>	<u>6/30/16</u>
Collective deferred outflows of resources	\$ 5,078,787	7,554,296
Collective deferred inflows of resources	\$ 5,405,464	1,031,597
Collective net pension liability	\$20,492,355	\$26,927,220
 District's Proportion	 .088031626%	 .090917716%

\$815,519 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended June 30:
2019	\$ (59,613)
2020	(59,613)
2021	(59,613)
2022	(59,613)
2023	(59,613)
Thereafter	<u>(28,612)</u>
 Total	 \$ <u>(326,677)</u>

Additional detailed information about the pension plans is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/gasb-68-rpts.shtml>

Defined Contribution Retirement Plan (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist. The District's contributions, equal to the required contribution for June 30, 2018 is \$15,661.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 7. Post-Retirement Benefits

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

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (APB) who retired from a board of education or county college with 25 years of service (GASB Cod. Sec 2300.106(g)).

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

The measurement date under GASB 75 is the date in which the discount rate, the balance sheet liabilities and income statement entries are reported. GASB 75 allows for the measurement date to be equal to any day in the fiscal year. The State of New Jersey has decided to choose the GASB 75 measurement date in the beginning of the fiscal year. The measurement date for the fiscal year ending June 30, 2018 GASB 75 valuation is June 30, 2017.

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

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

PERS participant retirees - The State paid \$238.9 million toward Chapter 126 benefits for 30,913 eligible retired members in Fiscal Year 2017.

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 7. Post-Retirement Benefits (continued):

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2017 actuarial valuation reported by the State in the State’s most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 %			
		<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:				
Through 2026		1.55 – 4.55% Based on years of service	2.15 – 4.15% Based on age	2.10 – 8.98% Based on age
Thereafter		2.00 – 5.45% Based on years of service	3.15 – 5.15% Based on age	3.10 – 9.98% Based on age

Preretirement mortality rates were based on the RP-2014 headcount-weighted healthy employee male/female mortality table with full generational mortality improvement projection 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 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 5.0%. long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate – The discount rate for June 30, 2017 is 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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 7. Post-Retirement Benefits (continued):

Change in the Total OPEB liability reported by the State of New Jersey is as follows:

	<u>Total OPEB Liability</u>
Balance at 6/30/16	\$57,831,784,184
Service Cost	2,391,878,884
Interest on the Total OPEB Liability	1,699,441,736
Changes of Benefit Terms	-
Differences between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	<u>(8,283,262,946)</u>
Net Changes	<u>(4,191,942,326)</u>
Balance at 6/30/17	<u>\$53,639,841,858</u>

There has been no change of benefit terms in the retirees' share of health insurance premiums from 2016 to 2017.

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

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

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

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates as of June 30, 2017:

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 7. Post-Retirement Benefits (continued):

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

OPEB expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2017, the board of education recognized OPEB expense of \$9,855,862 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 Willingboro School District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions or Inputs		\$6,343,769,032
Contributions Made After June 30, 2017	<u>\$1,190,373,242</u>	-
Total	<u>\$1,190,373,242</u>	<u>\$6,343,769,032</u>

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

	Year Ended June 30:
2018	\$ (742,830,097)
2019	(742,830,097)
2020	(742,830,097)
2021	(742,830,097)
2022	(742,830,097)
Thereafter	<u>(2,629,618,547)</u>
Total	<u>\$(6,343,769,032)</u>

(Contributions made after the measurement date are reported as deferred outflow of resources but are not amortized in the expense.)

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 8. 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.

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

New Jersey Unemployment Compensation Insurance — The District has elected to fund their 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 its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two years:

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2017-2018	\$ 8,430	\$1,746	\$ 38,265	\$424,084
2016-2017	58,613	827	204,419	452,174
2015-2016	36,000	685	-0-	597,153

Note 9. Contingent Liabilities

The Board of Education is involved in several claims and lawsuits incidental to its operations. In the opinion of the Administration and legal council, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District except for a settlement that has been accrued for under other liabilities. See Note 5.

Note 10. 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.

Note 11. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2018:

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 11. Interfund Receivables and Payables (continued):

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 352,211	\$ 162,767
Enterprise Fund	98,689	296,855
Fiduciary Funds	162,375	215,731
Capital Projects	<u>64,078</u>	<u>-</u>
Total	<u>\$ 677,353</u>	<u>\$ 675,353</u>

The purpose of these interfunds is for short-term borrowings.

Note 12. Fund Balance Appropriated

General Fund (Exhibit B-1) — Of the \$3,994,609 General Fund balance at June 30, 2018, \$2,341,903 has been restricted for Excess Surplus; \$1,674,578 has been restricted for Excess Surplus Designated for Subsequent Year's Expenditures; \$659,197 has been restricted for Additional Designated for Subsequent Year's Expenditures and (\$681,069) is unassigned.

Note 13. Deferred Compensation

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable Life Insurance	Lincoln Investment Planning
Oppenheimer Funds	Midland
Valic	Metropolitan Life Insurance

Note 14. 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 vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 14. Compensated Absences (Continued):

Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable fund total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2018 is \$1,047,429.

The liability for vested compensated absences of the 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.

Note 15. Calculation of Excess Surplus

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2005, c.73 (S1701), the designation for Restricted Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2018 is \$4,675,678 of which \$1,659,578 was appropriated in the 2018-2019 budget. The balance of \$3,016,100 will be appropriated in 2019-2020.

Note 16. 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 of its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

The Township of Willingboro (Municipality) provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

Note 16. Tax Abatements (continued):

property taxes can and are abated. The exemptions provided by the Municipality are for affordable housing and other permitted purposes. Taxes abated include municipal, local school, and county taxes.

The Municipality recognized revenue of \$273,518 from the annual service charge in lieu of payment of taxes in 2017. The assessed value on these exemption properties amounted to \$30,131,800 which would have resulted in 2017 taxes billed in full of \$1,142,598. A portion of the \$379,661 abatement would have been allocated to the District.

Note 17. Deficit Unrestricted Net Position and Unassigned Fund Balance

The District has a deficit in unrestricted net position of \$23,029, as reported in the statement of net position (accrual basis). The District also has a deficit in unassigned fund balance of \$681,069 in the General Fund shown on Exhibit B-1. The deficits resulted from recording the June 2018 state aid payments in accordance with N.J.S.A. 18A: 22-44.2 which provides that in the event state school aid payments are not made until the following school budget year, districts must record the state aid payments as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. Also contributing to the deficit in net assets is the amount of compensated absences, \$1,047,429 and pension liability, \$20,287,431 both recorded on the accrual basis. While reflected as liabilities, the obligations will not be funded until a future date coincident with termination and/or retirement of services. Due to the resulting timing differences, the deficits do not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A.18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey stature and regulation nor is need of corrective action. The District deficit in the GAAP fund statements of \$681,069 is less than the last state aid payments.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210-000	\$30,459,993		30,459,993	30,459,993	
Tuition	10-1300-000	300,000		300,000	132,863	(167,137)
Transportation Fees from LEAs	10-1420-000	50,000		50,000	15,416	(34,584)
Interest Earned	10-1510-000				53,755	53,755
Rentals Facility	10-1910-000	15,000		15,000	12,867	(2,133)
Miscellaneous Revenue	10-1990-000	400,000		400,000	151,123	(248,877)
Total Local Sources		31,224,993		31,224,993	30,826,017	(398,976)
State Sources:						
Transportation Aid	10-3120-000	470,570		470,570	470,570	
Extraordinary Aid	10-3131-000	400,000		400,000	823,372	423,372
Categorical Special Education Aid	10-3132-000	2,391,334		2,391,334	2,391,334	
Equalization Aid	10-3176-000	34,387,336		34,387,336	34,408,654	21,318
Categorical Security Aid	10-3177-000	1,086,670		1,086,670	1,086,670	
Other State Aid	10-3190-000	114,650		114,650	114,650	
Nonpublic Transportation Aid					70,213	70,213
Nonbudgeted:						
On-Behalf TPAF Pension Contribution					3,556,332	3,556,332
On-Behalf TPAF Post-Retirement Medical Contribution					2,296,959	2,296,959
On-Behalf TPAF Long Term Disability Insurance Contribution					3,886	3,886
Reimbursed TPAF Social Security Contributions					1,776,087	1,776,087
Total State Sources		38,850,560		38,850,560	46,998,727	8,148,167
Federal Sources:						
Medicaid Reimbursement	10-4200-000	126,994		126,994	135,685	8,691
Total Federal Services		126,994		126,994	135,685	8,691
Total Revenues		70,202,547		70,202,547	77,960,429	7,757,882
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	772,513	195,787	968,300	959,893	8,407
Grades 1 - 5	11-120-100-101	6,269,217	(177,000)	6,092,217	6,084,067	8,150
Grades 6 - 8	11-130-100-101	3,374,743	198,766	3,573,509	3,570,324	3,185
Grades 9 - 12	11-140-100-101	3,971,468	(360,266)	3,611,202	3,618,958	(7,756)
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	50,000	139,271	189,271	189,271	
Purchased Professional/Educational Services	11-150-100-320	15,000	100	15,100	11,980	3,120
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	51,540	1,000	52,540	52,035	505
Purchased Professional/Educational Services	11-190-100-320	762,250	442,968	1,205,218	1,198,704	6,514

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Regular Programs - Undistributed Instruction (continued):						
Purchased Technical Services	11-190-100-340	224,433	(15,566)	208,867	173,294	35,573
General Supplies	11-190-100-610	839,307	189,561	1,028,868	998,466	30,402
Textbooks	11-190-100-640	138,542	28,603	167,145	65,768	101,377
Other Objects	11-190-100-891	44,453	6,619	51,072	33,027	18,045
Total Regular Programs - Instruction		16,513,466	649,843	17,163,309	16,955,787	207,522
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	2,554,591		2,554,591	2,361,589	193,002
Other Salaries for Instruction	11-204-100-106	142,925		142,925	73,651	69,274
General Supplies	11-204-100-610	500		500		500
Total Learning and/or Language Disabilities		2,698,016		2,698,016	2,435,240	262,776
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	495,951		495,951	448,642	47,309
Other Salaries for Instruction	11-209-100-106	15,589		15,589	15,563	26
General Supplies	11-209-100-610	500		500		500
Total Behavioral Disabilities		512,040		512,040	464,205	47,835
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	753,793		753,793	676,241	77,552
Other Salaries for Instruction	11-212-100-106	74,040		74,040	73,533	507
General Supplies	11-212-100-610	500		500		500
Total Multiple Handicapped		828,333		828,333	749,774	78,559
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	118,278		118,278	115,930	2,348
Other Salaries for Instruction	11-213-100-106	127,398		127,398	112,934	14,464
General Supplies	11-213-100-610	500		500		500
Total Resource Room/Resource Center		246,176		246,176	228,864	17,312
Autism:						
Salaries of Teachers	11-214-100-101	263,355	(2,500)	260,855	263,713	(2,858)
Other Salaries for Instruction	11-214-100-106	95,906	1,000	96,906	109,080	(12,174)
General Supplies	11-214-100-610	1,200		1,200	1,000	200
Total Autism		360,461	(1,500)	358,961	373,793	(14,832)
Preschool Disabilities - Full-Time:						
Salaries of Teachers	11-216-100-101	331,632	500	332,132	332,026	106
Other Salaries for Instruction	11-216-100-106	78,653	(500)	78,153	78,536	(383)
General Supplies	11-216-100-610	11,800		11,800		11,800
Other Objects	11-216-100-800	5,000		5,000		5,000
Total Preschool Disabilities - Full-Time		427,085		427,085	410,562	16,523
Total Special Education - Instruction		5,072,111	(1,500)	5,070,611	4,662,438	408,173

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Bilingual Education:						
Salaries of Teachers	11-240-100-101	191,715	1,500	193,215	192,818	397
Total Bilingual Education		191,715	1,500	193,215	192,818	397
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	213,094	12,000	225,094	205,331	19,763
Purchased Services	11-401-100-500	1,500		1,500	1,005	495
Other Objectives	11-401-100-800	8,000	(8,000)			
Total School Sponsored Cocurricular Activities		222,594	4,000	226,594	206,336	20,258
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	567,491	(9,299)	558,192	508,022	50,170
Purchased Services	11-402-100-500	82,526	(7,668)	74,858	73,580	1,278
Supplies and Materials	11-402-100-600	51,180	21,495	72,675	66,411	6,264
Other Objects	11-402-100-800	15,890	3,707	19,597	19,557	40
Total School Sponsored Athletics - Instruction		717,087	8,235	725,322	667,570	57,752
Alternative Education Programs - Instruction						
Salaries of Teachers	11-423-100-101	443,662		443,662	478,507	(34,845)
Other Salaries of Instruction	11-423-100-106	15,219	(300)	14,919		14,919
General Supplies	11-423-100-610	2,500		2,500	1,981	519
Total Alternative Education Programs - Instruction		461,381	(300)	461,081	480,488	(19,407)
Alternative Education Programs - Support Services						
Salaries	11-423-200-100	157,428	300	157,728	157,689	39
Total Alternative Education Programs - Support Services		157,428	300	157,728	157,689	39
Total - Instruction		23,335,782	662,078	23,997,860	23,323,126	674,734
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEA's - State Regular	11-000-100-561	317,607	276,918	594,525	598,988	(4,463)
Tuition to Other LEA's - State Special	11-000-100-562	85,975	4,819	90,794	106,419	(15,625)
Tuition to County Vocational School Regular	11-000-100-563	2,221,846	(4,500)	2,217,346	2,193,206	24,140
Tuition to CSSD & Regional Day School	11-000-100-565	3,665,808	(420,000)	3,245,808	3,162,038	83,770
Tuition to Private Schools For The Handicapped - State	11-000-100-566	3,690,854	(434,320)	3,256,534	2,642,635	613,899
Tuition - State Facilities	11-000-100-568	436,556		436,556	436,556	
Tuition - Other	11-000-100-569	60,279	40,000	100,279	100,178	101
Total Undistributed Expenditures - Instruction		10,478,925	(537,083)	9,941,842	9,240,020	701,822

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Attendance & Social Work Services:						
Salaries	11-000-211-100	253,046		253,046	243,687	9,359
Salaries of Family Liaisons	11-000-211-173	67,176		67,176	67,163	13
Purchased Professional/ Technical Services	11-000-211-340	35,000		35,000	34,524	476
Other Purchased Services	11-000-211-580	4,500	(1,000)	3,500		3,500
Supplies and Materials	11-000-211-610	1,000	1,000	2,000	1,814	186
Total Attendance & Social Work Services		360,722		360,722	347,188	13,534
Health Services:						
Salaries	11-000-213-100	568,378		568,378	566,127	2,251
Purchased Professional & Technical Services	11-000-213-300	150,500	(15,000)	135,500	110,513	24,987
Supplies and Materials	11-000-213-600	8,391	(50)	8,341	4,190	4,151
Total Health Services		727,269	(15,050)	712,219	680,830	31,389
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	662,573	121,600	784,173	784,459	(286)
Purchased Professional - Educational Services	11-000-216-320	25,000	9,800	34,800	32,234	2,566
Supplies and Materials	11-000-216-600	10,000	(800)	9,200	7,698	1,502
Total Other Support Services - Students - Related - Services		697,573	130,600	828,173	824,391	3,782
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	597,874	(93,600)	504,274	458,822	45,452
Purchased Professional - Educational Services	11-000-217-320	445,000	275,565	720,565	704,987	15,578
Total Other Support Services - Students - Extra Services		1,042,874	181,965	1,224,839	1,163,809	61,030
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	807,012	(1,000)	806,012	763,815	42,197
Salaries of Secretarial & Clerical Assistants	11-000-218-105	59,159	1,000	60,159	60,050	109
Other Purchased Professional & Technical Services	11-000-218-390	11,899	231	12,130	11,297	833
Supplies and Materials	11-000-218-600	12,600	(415)	12,185	9,682	2,503
Total Other Support Services - Students - Regular		890,670	(184)	890,486	844,844	45,642
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	1,342,579		1,342,579	1,211,026	131,553

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Other Support Services - Students - Special Services (continued):						
Salaries of Secretarial & Clerical Assistants	11-000-219-105	119,176		119,176	117,276	1,900
Unused Vacation Payment to Terminated/Retired Staff	11-000-219-199	8,000	(900)	7,100		7,100
Unused Vacation Payment to Terminated/Retired Staff	11-000-219-299					
Purchased Professional - Educational Services	11-000-219-320	50,900	155,550	206,450	191,754	14,696
Other Purchased Professional & Technical Services	11-000-219-390	9,083	497	9,580	9,382	198
Other Purchased Services	11-000-219-580	5,000	(1,000)	4,000	1,990	2,010
Supplies and Materials	11-000-219-600	44,500	(22,000)	22,500	18,963	3,537
Other Objects	11-000-219-800		3,350	3,350	3,165	185
Total Other Support Services - Students - Special Services		1,579,238	135,497	1,714,735	1,553,556	161,179
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	496,599	54,000	550,599	448,466	102,133
Salaries of Other Professional Staff	11-000-221-104	25,000	93,000	118,000	62,130	55,870
Salaries of Secretarial & Clerical Assistants	11-000-221-105	179,899		179,899	114,242	65,657
Unused Vacation Payment to Terminated/Retired Staff	11-000-221-199	10,000		10,000		10,000
Unused Vacation Payment to Terminated/Retired Staff	11-000-221-299					
Other Purchased Professional & Technical Services	11-000-221-390	27,539	(2,822)	24,717	23,741	976
Supplies and Materials	11-000-221-600	3,100		3,100	3,033	67
Other Objects	11-000-221-800		3,000	3,000	2,645	355
Total Improvement of Instruction Services/Other Support Services Instructional Staff		742,137	147,178	889,315	654,257	235,058
Educational Media Services/School Library:						
Salaries	11-000-222-100	839,748	(1,450)	838,298	794,519	43,779
Salaries of Technology	11-000-222-177					
Unused Vacation Payment to Terminated/Retired Staff	11-000-222-199		1,450	1,450	1,417	33
Purchased Professional & Technical Services	11-000-222-300	87,000	(5,400)	81,600	46,186	35,414
Supplies and Materials	11-000-222-600	11,995	(851)	11,144	8,718	2,426
Total Educational Media Services/School Library		938,743	(6,251)	932,492	850,840	81,652
Instructional Staff Training Services:						
Purchased Professional - Educational Services	11-000-223-320	35,500		35,500	22,747	12,753
Other Purchased Services	11-000-223-500	15,500		15,500	12,207	3,293
Total Instructional Staff Training Services		51,000		51,000	34,954	16,046

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Support Services General Administration:						
Salaries	11-000-230-100	472,348	74,527	546,875	546,232	643
Unused Vacation Payment to Terminated/ Retired Staff	11-000-230-199					
Tuition Reimbursement	11-000-230-280		2,560	2,560	2,560	
Legal Services	11-000-230-331	325,000	(77,055)	247,945	245,328	2,617
Audit Fees	11-000-230-332	55,000	975	55,975	55,975	
Other Purchased Professional Services	11-000-230-339	5,085	(2,240)	2,845	2,108	737
Communications/Telephone	11-000-230-530	602,100	(9,378)	592,722	264,696	328,026
BOE Other Purchased Services	11-000-230-585	8,000	(150)	7,850	7,742	108
Other Purchased Services	11-000-230-590	11,000	(1,950)	9,050	9,677	(627)
Supplies and Materials	11-000-230-610	5,000	(257)	4,743	3,650	1,093
In-House Training	11-000-230-630	5,000	(3,000)	2,000	2,111	(111)
Judgment Against District	11-000-230-820	50,000	30,300	80,300	81,381	(1,081)
Miscellaneous Expenditures	11-000-230-890	7,000	647	7,647	7,644	3
BOE Membership Dues and Fees	11-000-230-895	28,000	(2,575)	25,425	25,330	95
Total Support Services General Administration		1,573,533	12,404	1,585,937	1,254,434	331,503
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	1,638,170	(11,000)	1,627,170	1,522,066	105,104
Salaries of Secretarial & Clerical Assistants	11-000-240-105	779,491	62,000	841,491	692,621	148,870
Unused Vacation Payment to Terminated/ Retired Staff	11-000-240-199	30,000	-	30,000		30,000
Supplies and Materials	11-000-240-600	23,648	5,817	29,465	16,121	13,344
Other Objects	11-000-240-800	22,550	(3,510)	19,040	17,123	1,917
Total Support Services School Administration		2,493,859	53,307	2,547,166	2,247,931	299,235
Central Services:						
Salaries	11-000-251-100	817,862	(11,360)	806,502	802,361	4,141
Unused Vacation Payment to Terminated/ Retired Staff	11-000-251-199	11,000	(900)	10,100	1,375	8,725
Purchased Professional Services	11-000-251-330	9,900	31,534	41,434	27,968	13,466
Purchased Technical Services	11-000-251-340	37,000	(3,950)	33,050	31,032	2,018
Miscellaneous Purchased Services	11-000-251-592	3,750	300	4,050	3,433	617
Supplies and Materials	11-000-251-610	50,200	2,733	52,933	52,880	53
Interest on Lease Purchase Agreements	11-000-251-832	3,084		3,084		3,084
Interest on Bond Anticipation Notes	11-000-251-836				13,648	(13,648)
Miscellaneous Expenditures	11-000-251-890	6,970	(3,300)	3,670	3,428	242
Total Central Services		939,766	15,057	954,823	936,125	18,698
Administrative Information Technology:						
Salaries	11-000-252-100	3,000		3,000	1,685	1,315
Purchased Technical Services	11-000-252-340	87,500	34,040	121,540	121,491	49
Other Purchased Services	11-000-252-500	2,500		2,500	2,174	326
Supplies and Materials	11-000-252-600	25,000	(22,440)	2,560	2,411	149
Total Administrative Information Technology		118,000	11,600	129,600	127,761	1,839

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	614,994		614,994	537,711	77,283
Unused Vacation Payment to Terminated/ Retired Staff	11-000-261-199	15,000		15,000	3,325	11,675
Cleaning, Repair & Maintenance Services	11-000-261-420	591,500	(3,717)	587,783	544,149	43,634
Lead Testing of Drinking Water	11-000-261-421		46,940	46,940	46,940	
General Supplies	11-000-261-610	40,000	(11,500)	28,500	27,544	956
Total Allowable Maintenance for School Facilities		1,261,494	31,723	1,293,217	1,159,669	133,548
Other Operation & Maintenance of Plant:						
Salaries	11-000-262-100	1,779,164	(4,300)	1,774,864	1,707,298	67,566
Salaries of Non Instructional Aides	11-000-262-107	207,921	4,300	212,221	191,626	20,595
Unused Vacation Payment to Terminated/ Retired Staff	11-000-262-199	10,000	(10,000)			
Purchased Professional & Technical Services	11-000-262-300	231,500	156,342	387,842	208,153	179,689
Cleaning, Repair & Maintenance Services	11-000-262-420	181,000	20,486	201,486	105,351	96,135
Other Purchased Property Services	11-000-262-490	70,000	3,020	73,020	72,069	951
Insurance	11-000-262-520	1,293,135	(14,600)	1,278,535	1,232,205	46,330
Miscellaneous Purchased Services	11-000-262-590	5,000	1,000	6,000	5,325	675
General Supplies	11-000-262-610	371,500		371,500	351,655	19,845
Energy (Natural Gas)	11-000-262-621	200,000	149,241	349,241	347,531	1,710
Energy (Electricity)	11-000-262-622	1,250,000	(182,000)	1,068,000	881,830	186,170
Energy (Gasoline)	11-000-262-626	25,000	(24,142)	858		858
Other Objects	11-000-262-800	10,000		10,000	2,009	7,991
Total Other Operation & Maintenance of Plant		5,634,220	99,347	5,733,567	5,105,052	628,515
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	67,962		67,962	55,781	12,181
Unused Vacation Payment to Terminated/ Retired Staff	11-000-263-199					
Purchased Professional & Technical Services	11-000-263-300	205,000	(1,000)	204,000	178,415	25,585
CLN, RPR, Maintenance Services	11-000-263-420					
General Supplies	11-000-263-610	26,500	(3,000)	23,500	10,153	13,347
Total Care & Upkeep of Grounds		299,462	(4,000)	295,462	244,349	51,113
Security:						
Salaries	11-000-266-100	683,242	50,643	733,885	753,436	(19,551)
Purchased Professional & Technical Services	11-000-266-300	214,357	(33,940)	180,417	170,023	10,394
Cleaning, Repair & Maintenance Services	11-000-266-420	12,000	(11,901)	99		99
General Supplies	11-000-266-610	17,500	(2,970)	14,530	14,450	80
Other Objects	11-000-266-800	500	(500)			
Total Security		927,599	1,332	928,931	937,909	(8,978)

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) -						
Regular	11-000-270-160	147,561	700	148,261	148,119	142
Other Purchased Professional & Technical Services						
Aid in Lieu - Non Public Schools	11-000-270-390	6,650	(70)	6,580	5,330	1,250
Aid in Lieu - Charter Schools	11-000-270-503	239,210		239,210	216,912	22,298
Contracted Services (Between Home & School) - Vendors	11-000-270-511	874,074	(50,000)	824,074	797,401	26,673
Contracted Services (Other Than Between Home & School)-Vendors	11-000-270-512	212,000		212,000	187,890	24,110
Contracted Services (Special Education Students) - Vendors	11-000-270-514	1,962,099	11,213	1,973,312	1,972,581	731
Contracted Services (Special Education Students) - Joint Agreements	11-000-270-515	45,000		45,000	33,836	11,164
Contracted Services (Special Education Students) - ESCs & CTSA's	11-000-270-518	190,000	25,000	215,000	200,614	14,386
General Supplies	11-000-270-610	206,000	15,000	221,000	209,989	11,011
Total Student Transportation Services		3,903,987	1,843	3,905,830	3,792,039	113,791
Unallocated Benefits Employee Benefits:						
Social Security	11-000-291-220	750,000	120,359	870,359	776,925	93,434
TPAF Contributions - ERIP	11-000-291-232	1,400		1,400	1,225	175
Other Retirement Payments	11-000-291-241	930,000	(58,537)	871,463	841,353	30,110
Unemployment Compensation	11-000-291-250	85,000	37,000	122,000	121,864	136
Workers Compensation	11-000-291-260	40,000		40,000	1,867	38,133
Health Benefits	11-000-291-270	10,777,324	(387,058)	10,390,266	10,013,240	377,026
Tuition Reimbursement	11-000-291-280	60,000	42,833	102,833	101,834	999
Unused Vacation Payment to Terminated/ Retired Staff	11-000-291-299	200,000	(102,175)	97,825	10,925	86,900
Total Unallocated Benefits - Employee Benefits		12,843,724	(347,578)	12,496,146	11,869,233	626,913
Nonbudgeted:						
On-Behalf TPAF Pension Contributions					3,556,332	(3,556,332)
On-Behalf TPAF Post-Retirement Medical Contribution					2,296,959	(2,296,959)
On-Behalf TPAF Long Term Disability Insurance Contribution					3,886	(3,886)
Reimbursed TPAF Social Security Contributions					1,776,087	(1,776,087)
Total Undistributed Expenditures		47,504,795	(88,293)	47,416,502	51,502,455	(4,085,953)
Total Expenditures - Current Expense		70,840,577	573,785	71,414,362	74,825,581	(3,411,219)
Capital Outlay:						
Equipment:						
Preschool	12-105-100-730					
Grades 1-5	12-120-100-730					
Grades 9-12	12-140-100-730	6,060		6,060		6,060
School Sponsored and Other Instruction	12-402-100-732		11,948	11,948	11,948	
Undistributed Expenditures:						
Central Services	12-000-251-730	4,000		4,000		4,000
Admin Information Technology	12-000-252-730	121,000	5,400	126,400	85,252	41,148
Required Maintenance School Facilities	12-000-261-730	51,000	7,868	58,868	40,791	18,077

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Capital Outlay (continued):						
Support Services - Related & Extra Central Services	12-000-218-730 12-000-251-730					
Custodial Equipment	12-000-262-730	25,000	9,132	34,132	34,082	50
SEC Equipment	12-000-266-730		14,061	14,061	69,961	(55,900)
Total Equipment		<u>207,060</u>	<u>48,409</u>	<u>255,469</u>	<u>242,034</u>	<u>13,435</u>
Facilities Acquisition & Construction Services:						
Construction Services	12-000-400-450	50,000	279,214	329,214	339,724	(10,510)
Lease Purchase Agreements - Principal	12-000-400-721					
Assessment for Debt Service on SDA Funding	12-000-400-896	71,937		71,937	71,937	
Total Acquisition & Construction Services		<u>121,937</u>	<u>279,214</u>	<u>401,151</u>	<u>411,661</u>	<u>(10,510)</u>
Total Capital Outlay		<u>328,997</u>	<u>327,623</u>	<u>656,620</u>	<u>653,695</u>	<u>2,925</u>
Total Expenditures		<u>71,169,574</u>	<u>901,408</u>	<u>72,070,982</u>	<u>75,479,276</u>	<u>(3,408,294)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		<u>(967,027)</u>	<u>(901,408)</u>	<u>(1,868,435)</u>	<u>2,481,153</u>	<u>4,349,588</u>
Other Financing Sources/(Uses):						
Transfer from Other Funds	10-5200-000	270,756		270,756	270,756	
Transfer to Charter School		<u>(2,763,963)</u>	<u>(203,923)</u>	<u>(2,967,886)</u>	<u>(2,966,373)</u>	<u>(1,513)</u>
Total Other Financing Sources/(Uses)		<u>(2,493,207)</u>	<u>(203,923)</u>	<u>(2,697,130)</u>	<u>(2,695,617)</u>	<u>(1,513)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		<u>(3,460,234)</u>	<u>(1,105,331)</u>	<u>(4,565,565)</u>	<u>(214,464)</u>	<u>4,348,075</u>
Fund Balances, July 1		<u>8,001,011</u>		<u>8,001,011</u>	<u>8,001,011</u>	
Fund Balances, June 30		<u>\$4,540,777</u>	<u>(1,105,331)</u>	<u>3,435,446</u>	<u>7,786,547</u>	<u>4,348,075</u>

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:		
Excess Surplus		2,341,903
Additional Designated for Subsequent Year's Expenditures		659,197
Excess Surplus - Designated for Subsequent Year's Expenditures		1,674,578
Assigned Fund Balance:		
Year-end Encumbrances		863,275
Designated for Subsequent Year's Expenditures		
Unassigned Fund Balance		<u>2,247,594</u>
Subtotal		<u>7,786,547</u>
Reconciliation to Governmental Funds Statements (GAAP):		
Last State Aid Payment Not Recognized on GAAP Basis		<u>(3,791,938)</u>
Fund Balance per Governmental Funds (GAAP)		<u>\$3,994,609</u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES					
Local Sources		14,727	14,727	14,727	
State Sources	\$1,294,744	681,977	1,976,721	1,976,721	
Federal Sources	2,327,282	(31,183)	2,296,099	2,296,099	
Total Revenues	3,622,026	665,521	4,287,547	4,287,547	
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,629,331	(605,807)	1,023,524	1,023,524	
Other Salaries for Instruction	185,517	(21,017)	164,500	164,500	
Purchased Professional & Technical Services		52,683	52,683	52,683	
Other Purchased Services (400-500 Series)	1,000	4,332	5,332	5,332	
Tuition	1,281,060	(464,060)	817,000	817,000	
Textbooks	7,010	(617)	6,393	6,393	
General Supplies	46,653	471,246	517,899	517,899	
Other Objects	2,182	2,086	4,268	4,268	
Total Instruction	3,152,753	(561,154)	2,591,599	2,591,599	
Support Services:					
Salaries of Supervisors		395,022	395,022	395,022	
Salaries of Secretarial & Clerical Assistants	29,267	1,685	30,952	30,952	
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers		43,049	43,049	43,049	
Personal Services - Employee Benefits		694,112	694,112	694,112	
Purchased Educational Services	406,306	973	407,279	407,279	
Other Purchased Services		1,782	1,782	1,782	
Travel	2,700	22,723	25,423	25,423	
Supplies & Materials	1,000	71,304	72,304	72,304	
Total Support Services	439,273	1,230,650	1,669,923	1,669,923	
Facilities Acquisition & Construction Services:					
Instructional Equipment		26,025	26,025	26,025	
Noninstructional Equipment	30,000	(30,000)			
Total Facilities Acquisition & Construction Services	30,000	(3,975)	26,025	26,025	
Total Expenditures	3,622,026	665,521	4,287,547	4,287,547	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$77,960,429	4,287,547
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	3,614,918	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(3,791,938)	
	<hr/>	
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<hr/> \$77,783,409	<hr/> 4,287,547
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<hr/> \$75,479,276	<hr/> 4,287,547
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<hr/> \$75,479,276	<hr/> 4,287,547

Page Intentionally Left Blank

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - PERS ***

	Measurement Date				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	0.042%	0.046%	0.046%	0.044%	0.047%
District's Proportionate Share of the Net Pension Liability (Asset)	\$20,492,355	26,927,220	21,290,342	17,085,862	18,174,787
District's covered employee payroll	\$6,381,505	6,433,803	5,944,063	6,199,903	6,310,202
Plan Fiduciary Net Position as a Percentage of the Total Pension	48.10%	40.14%	47.93%	52.08%	48.72%

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - PERS
SCHEDULE OF CONTRIBUTIONS ***

	Measurement Date				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially Determined Contribution	\$815,519	807,700	815,395	752,312	716,531
Contributions in relation to the Actuarially Determined Contributions	815,519	807,700	815,395	752,312	716,531
	-	-	-	-	-
Covered-Employee Payroll	\$6,381,505	6,433,803	5,944,063	6,199,903	6,310,202
Contributions as a Percentage of Covered - Employee Payroll	12.78%	12.55%	13.72%	12.13%	11.36%

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - TPAF ***

	Measurement Date				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
State's Proportion of the Net Pension Liability (Asset) Associated with the District	0.252%	0.260%	0.265%	0.268%	0.276%
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	169,615,897	204,925,532	167,534,573	144,317,866	139,984,346

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF THE DISTRICT'S CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS ***

	Measurement Date <u>2017</u>
<u>Total OPEB Liability</u>	
Service Cost	\$6,604,131
Interest Cost	5,884,445
Changes of Assumptions	(23,716,830)
Contributions: Members	159,101
Gross Benefit Payments	<u>(4,320,754)</u>
Net Change in Total OPEB Liability	(\$15,389,907)
Total OPEB Liability (Beginning)	<u>201,933,848</u>
Total OPEB Liability (Ending)	<u><u>\$186,543,941</u></u>
 <u>Plan Fiduciary Net Position</u>	
Plan Fiduciary Net Position (Ending)	-
Net OPEB Liability (Ending)	\$186,543,941
Net Position as a Percentage of OPEB Liability	0.00%
Covered Employee Payroll	\$6,381,505
Net OPEB Liability as a Percentage of Payroll	2923%

Source Documents:

All data for the measurement period was provided by the State of New Jersey Department of the Treasury other than covered employee payroll.

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2018

Public Employees' Retirement System (PERS)

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

Changes of assumptions. Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 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 (setback 1 year for males and females) for service retirement 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 Tables (setback 3 years for males and setback 1 year for females).

Teachers' Pension and Annuity Fund (TPAF)

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

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

Additional detailed information about the pension plans is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rpts-home.shtml>

Special Funding Situation – State Health Benefit Local Education Retired Employee Plan

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, 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 and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

Intentionally Left Blank

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	NO CHILD LEFT BEHIND					
	TITLE I	TITLE II A	TITLE III	TITLE IV	I.D.E.A. PART B	I.D.E.A. PRESCHOOL
Revenues:						
Local Sources	\$931,400	184,459	11,099	1,235	1,143,424	9,783
State Sources	\$931,400	184,459	11,099	1,235	1,143,424	9,783
Federal Sources						
Total Revenues						
	\$931,400	184,459	11,099	1,235	1,143,424	9,783
Expenditures:						
Instruction:						
Salaries of Teachers	\$30,354		1,446		83,100	
Other Salaries for Instruction						
Purchased Professional Services	18,528			208	30,262	
Other Purchased Services						
Tuition					817,000	
Textbooks						
General Supplies	432,962		3,522			6,411
Other Objects						1,158
Total Instruction	481,844		4,968	208	930,362	7,569
Support Services:						
Salaries of Supervisors	171,049	54,875	669		168,114	
Salaries of Secretarial & Clerical Assistants						
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers						
Personal Services - Employee Benefits	55,129	4,198	162		34,599	
Purchased Educational Services	212,468	50,926	3,827	1,027	10,349	2,214
Other Purchased Services						
Travel		23,950	1,473			
Other Purchased Professional Services						
Purchased Professional - Technical Services	10,910	50,510				
Supplies & Materials						
Miscellaneous Expenditures						
Total Support Services	449,556	184,459	6,131	1,027	213,062	2,214
Facilities Acquisition & Construction Services:						
Instructional Equipment						
Total Facilities Acquisition & Construction Services						
	\$931,400	184,459	11,099	1,235	1,143,424	9,783

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	PERKINS GRANT	PRESCHOOL EDUCATION	TEXTBOOK AID	NONPUBLIC			NURSING AID
				COMPENSATORY EDUCATION AID	HOME INSTRUCTION		
Revenues:							
Local Sources		1,844,041	6,393	54,300	725	14,259	
State Sources							
Federal Sources							
Total Revenues	\$14,699	1,844,041	6,393	54,300	725	14,259	
Expenditures:							
Instruction:							
Salaries of Teachers		908,624					
Other Salaries for Instruction		164,500					
Purchased Professional Services		2,960			725		
Other Purchased Services		5,332					
Tuition							
Textbooks			6,393				
General Supplies	11,465	49,740					
Other Objects		2,182					
Total Instruction	11,465	1,133,338	6,393		725		
Support Services:							
Salaries of Supervisors	315						
Salaries of Secretarial & Clerical Assistants		30,952					
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers		43,049					
Personal Services - Employee Benefits	24	600,000					
Purchased Educational Services		10,022					
Other Purchased Services	390	1,392		54,300		14,259	
Travel							
Other Purchased Professional Services							
Purchased Professional - Technical Services		1,768					
Supplies & Materials							
Miscellaneous Expenditures							
Total Support Services	729	687,183		54,300		14,259	
Facilities Acquisition & Construction Services:							
Instructional Equipment	2,505	23,520					
Total Facilities Acquisition & Construction Services	2,505	23,520					
Total Expenditures	\$14,699	1,844,041	6,393	54,300	725	14,259	

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	NONPUBLIC					
	SUPPLEMENTAL INSTRUCTION AID	EXAMINATION & CLASSIFICATION AID	TECHNOLOGY	SPEECH AID	SECURITY	TARGET
Revenues:						
Local Sources	10,625	21,844	2,294	13,124	9,116	4,071
State Sources						
Federal Sources						
Total Revenues	10,625	21,844	2,294	13,124	9,116	4,071
Expenditures:						
Instruction:						
Salaries of Teachers						
Other Salaries for Instruction						
Purchased Professional Services						
Other Purchased Services						
Tuition						
Textbooks						
General Supplies						3,143
Other Objects						928
Total Instruction						4,071
Support Services:						
Salaries of Supervisors						
Salaries of Secretarial & Clerical Assistants						
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers						
Personal Services - Employee Benefits						
Purchased Educational Services	10,625	21,844	2,294	13,124		
Other Purchased Services						
Travel						
Other Purchased Professional Services						
Purchased Professional - Technical Services					9,116	
Supplies & Materials						
Miscellaneous Expenditures						
Total Support Services	10,625	21,844	2,294	13,124	9,116	
Facilities Acquisition & Construction Services:						
Instructional Equipment						
Total Facilities Acquisition & Construction Services	\$10,625	21,844	2,294	13,124	9,116	4,071

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	CHARTWELLS GRANT	STAFF HONORARY	DONATION TWIN HILLS	JAMES LIFE TOUCH	JAMES BASF FOUNDATION	TOTAL
Revenues:						
Local Sources	69	4,265	800	665	4,857	14,727
State Sources						1,976,721
Federal Sources						2,296,099
Total Revenues	69	4,265	800	665	4,857	4,287,547
Expenditures:						
Instruction:						
Salaries of Teachers						1,023,524
Other Salaries for Instruction						164,500
Purchased Professional Services						52,683
Other Purchased Services						5,332
Tuition						817,000
Textbooks						6,393
General Supplies	69	4,265	800	665	4,857	517,899
Other Objects						4,268
Total Instruction	69	4,265	800	665	4,857	2,591,599
Support Services:						
Salaries of Supervisors						395,022
Salaries of Secretarial & Clerical Assistants						30,952
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers						43,049
Personal Services - Employee Benefits						694,112
Purchased Educational Services						407,279
Other Purchased Services						1,782
Travel						25,423
Other Purchased Professional Services						72,304
Supplies & Materials						
Miscellaneous Expenditures						
Total Support Services						1,669,923
Facilities Acquisition & Construction Services:						
Instructional Equipment						26,025
Total Facilities Acquisition & Construction Services						26,025
Total Expenditures	\$69	4,265	800	665	4,857	4,287,547

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AND AID OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

DISTRICT-WIDE TOTAL	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$1,005,146	908,624	96,522
Other Salaries for Instruction	219,317	164,500	54,817
Purchased Professional Services	70,000	2,960	67,040
Other Purchased Services	14,000	5,332	8,668
General Supplies	222,068	49,740	172,328
Other Objects	2,182	2,182	
Total Instruction	1,532,713	1,133,338	399,375
Support Services:			
Salaries of Secretarial & Clerical Assistants	30,967	30,952	15
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers	132,300	43,049	89,251
Personal Services - Employee Benefits	604,552	600,000	4,552
Other Purchased Educational Services	99,795	10,022	89,773
Other Purchased Professional Services	7,000	1,392	5,608
Professional Development	27,700		27,700
Supplies & Materials	17,000	1,768	15,232
Miscellaneous Expenditures	2,895		2,895
Total Support Services	922,209	687,183	235,026
Facilities Acquisition & Construction Services:			
Instructional Equipment	98,167		98,167
Noninstructional Equipment	30,000	23,520	6,480
Total Facilities Acquisition & Construction Services	128,167	23,520	104,647
Total Expenditures	\$2,583,089	1,844,041	739,048

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2017-2018 Preschool Education Aid Allocation	\$2,583,089
Add: Actual Preschool Education Aid Carryover (June 30, 2017)	78,631
Total Preschool Education Aid Funds Available for 2017-2018 Budget	2,661,720
Less: 2017-2018 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	(2,583,089)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2018	78,631
Add: June 30, 2018 Unexpended Preschool Education Aid Funds	739,048
Less: 2017-2018 Commissioner-approved Transfer to the General Fund	
2017-2018 Carryover - Preschool Education Aid Funds	\$817,679
2017-2018 Preschool Education Aid Funds Carryover Budgeted in 2018-2019	\$817,679

Page Intentionally Left Blank

F. Capital Projects Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NUMBER	PROJECT TITLE	ORIGINAL APPROPRIATIONS	REVISED AUTHORIZED COSTS	EXPENDITURES TO DATE		(OVER)/UNDER EXPENDED BALANCE
				PRIOR YEAR	CURRENT YEAR	
2004	Levitt Middle School	\$3,574,041	3,574,041	3,538,968		35,073
2004	Other Projects	52,646	52,646	23,341		29,305
2010	Levitt Middle School Renovations	8,080,182	9,206,961	9,206,819		142
Total		\$11,706,869	12,833,648	12,769,128		64,520

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Revenues & Other Financing Sources:	
State Sources - SCC Grant	
Bond Proceeds & Transfers	-
	<hr/>
Total Revenues	-
	<hr/>
Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	
Construction Services	-
Instructional Equipment	-
Miscellaneous Expenditures	-
	<hr/>
Total Expenditures	<hr/>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	
Fund Balance - Beginning	64,520
	<hr/>
Fund Balance - Ending	<u><u>\$64,520</u></u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
UPGRADES TO LEVITT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2018**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$1,986,430		1,986,430	1,986,430
Bond Proceeds & Transfers	1,587,611		1,587,611	1,587,611
Total Revenues	3,574,041		3,574,041	3,574,041
Expenditures & Other Financing Uses:				
Salaries	36,092		36,092	36,092
Purchased Professional & Technical Services & Contingencies	859,589		859,589	890,187
Construction Services	2,623,147		2,623,147	2,627,622
Instructional Equipment	20,140		20,140	20,140
Total Expenditures	3,538,968		3,538,968	3,574,041
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$35,073		35,073	

ADDITIONAL PROJECT INFORMATION

Project Number	SP 5805-x01-03-1307
Grant Date	8/24/2004
Bond Authorization Date	8/1/1999
Bonds Authorized	\$1,587,611
Bonds Issued	\$1,587,611
Original Authorized Cost	\$3,574,041
Additional Authorized Cost	-
Revised Authorized Cost	\$3,574,041
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	99.02%
Original Target Completion Date	9/1/2006
Revised Target Completion Date	9/1/2007

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
OTHER CAPITAL PROJECTS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2018**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant				
Bond Proceeds & Transfers	\$52,646		52,646	52,646
Total Revenues	52,646		52,646	52,646
Expenditures & Other Financing Uses:				
Salaries				
Purchased Professional & Technical Services & Contingencies				
Instructional Equipment				
Miscellaneous Expenditures	23,341		23,341	52,646
Total Expenditures	23,341		23,341	52,646
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$29,305	-	29,305	-

ADDITIONAL PROJECT INFORMATION

Project Number	
Grant Date	8/24/2004
Bond Authorization Date	8/1/1999
Bonds Authorized	\$52,646
Bonds Issued	\$52,646
Original Authorized Cost	\$52,646
Additional Authorized Cost	-
Revised Authorized Cost	\$52,646
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	44.34%
Original Target Completion Date	9/1/2006
Revised Target Completion Date	9/1/2007

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO LEVITT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2018**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$4,815,977		4,815,977	4,815,977
Bond Proceeds & Transfers	4,390,984		4,390,984	4,390,984
Total Revenues	9,206,961	-	9,206,961	9,206,961
Expenditures & Other Financing Uses:				
Salaries				
Purchased Professional & Technical Services & Contingencies	1,155,618		1,155,618	1,155,760
Construction Services	8,051,201		8,051,201	8,051,201
Instructional Equipment				
Miscellaneous Expenditures				
Total Expenditures	9,206,819	-	9,206,819	9,206,961
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$142	-	142	-

ADDITIONAL PROJECT INFORMATION

Project Number	5805-040-09-1001
Grant Date	6/30/2010
Bond Authorization Date	10/21/2010
Bonds Authorized	\$4,390,984
Bonds Issued	\$4,390,984
Original Authorized Cost	\$8,080,182
Additional Authorized Cost	1,126,779
Revised Authorized Cost	\$9,206,961
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	100.00%
Original Target Completion Date	6/30/2013
Revised Target Completion Date	6/30/2017

Page Intentionally Left Blank

G. Proprietary Funds

Enterprise Funds

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF NET POSITION
AS OF JUNE 30, 2018**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Current Assets:			
Cash & Cash Equivalents	\$20,787	728,799	749,586
Interfund Receivable	98,689		98,689
Due from Other Governments	420,504		420,504
Other Accounts Receivable	39,697	8,765	48,462
Inventories	622		622
Total Current Assets	580,299	737,564	1,317,863
Noncurrent assets:			
Furniture, Machinery & Equipment	914,566	27,114	941,680
Less: Accumulated Depreciation	752,989	27,114	780,103
Total Noncurrent Assets	161,577		161,577
Total Assets	741,876	737,564	1,479,440
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows		58,943	58,943
Total Deferred Outflows of Resources		58,943	58,943
LIABILITIES			
Accounts Payable	254,939	12,757	267,696
Interfund Payable	166,577	130,278	296,855
Pension Liability		204,924	204,924
Unearned Revenue		14,260	14,260
Total Liabilities	421,516	362,219	783,735
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows		54,055	54,055
Total Deferred Inflows of Resources		54,055	54,055
NET POSITION			
Investment in Capital Assets, Net of Related Debt	161,577		161,577
Unrestricted	158,783	380,233	539,016
Total Net Position	\$320,360	380,233	700,593

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2018**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$280,522		280,522
Daily Sales - Non-Reimbursable Programs	202,268		202,268
Special Functions	26,222		26,222
Tuition & Fees		704,908	704,908
Total Operating Revenues	<u>509,012</u>	<u>704,908</u>	<u>1,213,920</u>
Operating Expenses:			
Cost of Sales - Reimbursable Programs	736,271		736,271
Cost of Sales - Non-Reimbursable Programs	43,690		43,690
Salaries	830,635	467,207	1,297,842
Management Fee	133,900		133,900
Employee Benefits	105,188	84,536	189,724
Cleaning, Repair & Maintenance Services	19,230		19,230
Travel Services	2,676	21,653	24,329
Purchased Services	84,098	11,232	95,330
Insurance	30,902		30,902
Supplies and Materials	215,554	15,919	231,473
Miscellaneous	25,871		25,871
Rent	120,756	150,000	270,756
Depreciation	36,414		36,414
Total Operating Expenses	<u>2,385,185</u>	<u>750,547</u>	<u>3,135,732</u>
Operating Income/(Loss)	<u>(1,876,173)</u>	<u>(45,639)</u>	<u>(1,921,812)</u>
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	23,567		23,567
Federal Sources:			
National School Lunch Program	1,131,466		1,131,466
National After School Snack Program	54,106		54,106
National School Breakfast Program	444,611		444,611
Food Distribution Program	118,206		118,206
Total Nonoperating Revenues/(Expenses)	<u>1,771,956</u>		<u>1,771,956</u>
Income/(Loss) Before Contributions & Transfers	(104,217)	(45,639)	(149,856)
Total Net Position - Beginning	<u>424,577</u>	<u>425,872</u>	<u>850,449</u>
Total Net Position - Ending	<u>\$320,360</u>	<u>380,233</u>	<u>700,593</u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2018**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Cash Flows From Operating Activities:			
Receipts from Customers	\$173,292	714,325	887,617
Payments to Employees	(830,635)	(467,207)	(1,297,842)
Payments for Employee Benefits	(105,188)	(84,536)	(189,724)
Payments to Suppliers	(1,311,625)	(248,989)	(1,560,614)
Net Cash Provided/(Used) by Operating Activities	(2,074,156)	(86,407)	(2,160,563)
Cash Flows From Noncapital Financing Activities:			
State Sources	23,567		23,567
Federal Sources	1,630,183		1,630,183
Net Cash Provided/(Used) by Noncapital Financing Activities	1,653,750		1,653,750
Cash Flows Capital & Related Financing Activities:			
Acquisition of Property, Plant & Equipment	(62,809)		(62,809)
Net Cash Provided by/(Used For) Capital Financing Activities	(62,809)		(62,809)
Net Increase/(Decrease) in Cash & Cash Equivalents	(483,215)	(86,407)	(569,622)
Balances - Beginning of Year	504,002	811,138	1,315,140
Balances - End of Year	\$20,787	724,731	745,518

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	(\$1,876,173)	(45,639)	(1,921,812)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	36,414		36,414
Commodities Received	118,206		118,206
Increase/(Decrease) in Unearned Revenue		(7,820)	(7,820)
(Increase)/Decrease in Accounts Receivable, Net	(267,663)	17,237	(250,426)
(Increase)/Decrease in Inventories	(414)		(414)
Increase/(Decrease) in Interfund Payable	(186,263)	(60,208)	(246,471)
Increase/(Decrease) in Accounts Payable	101,737	10,023	111,760
Total Adjustments	(197,983)	(40,768)	(238,751)
Net Cash Provided/(Used) by Operating Activities	(\$2,074,156)	(86,407)	(2,160,563)

Page Intentionally Left Blank

Internal Service Fund

Not Applicable

H. Fiduciary Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018**

ASSETS	PRIVATE PURPOSE		AGENCY		TOTAL
	SCHOLARSHIP FUND	UNEMPLOYMENT TRUST	STUDENT ACTIVITY	PAYROLL	
Cash & Cash Equivalents	\$39,435	424,084	131,733	739,012	1,334,264
Interfunds Receivable		162,375			162,375
Total Assets	39,435	586,459	131,733	739,012	1,496,639
LIABILITIES					
Payroll Deductions & Withholdings				521,281	521,281
Interfunds Payable				217,731	217,731
Due to Student Groups			131,733		131,733
Total Liabilities			131,733	739,012	870,745
NET POSITION					
Unreserved	39,435	586,459			625,894
Total Net Position	\$39,435	586,459	-	-	625,894

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEARS ENDED JUNE 30, 2018**

	PRIVATE PURPOSE			TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	WORKERS COMPENSATION TRUST	
Operating Revenues:				
Contributions	\$130,302			130,302
Interest on Investments	1,746	57	1,867	3,670
Total Operating Revenues	132,048	57	1,867	133,972
Operating Expenses:				
Scholarship Payments		625		625
Expenditures	76,530		1,867	78,397
Total Operating Expenses	76,530	625	1,867	79,022
Change in Net Position	55,518	(568)		54,950
Net Position Beginning of Year	530,941	40,003		570,944
Net Position End of Year	\$586,459	39,435		625,894

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

	BALANCE JULY 1, 2017	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2018
Memorial Middle School	\$12,901	42,343	38,940	16,304
Senior High School Account:				
Willingboro High School	30,110	110,512	100,961	39,661
General Organization Accounts:				
Gate Receipts	73,179	11,343	11,434	73,088
Twin Hills	3,328	1,873	2,521	2,680
Total	\$119,518	166,071	153,856	131,733

**PAYROLL FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	BALANCE JULY 1, 2017	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2018
ASSETS				
Cash & Cash Equivalents	\$602,792	39,220,111	39,083,891	739,012
Total Assets	\$602,792	39,220,111	39,083,891	739,012
LIABILITIES				
Payroll, Deductions & Withholdings	\$497,446	18,166,856	18,143,021	521,281
Net Pay		20,828,364	20,828,364	
Interfunds Payable	105,346	224,891	112,506	217,731
Total Liabilities	\$602,792	39,220,111	39,083,891	739,012

Page Intentionally Left Blank

I. Long Term Debt

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2018**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS DATE	ANNUAL PAYMENTS AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2017	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2018
School Renovations	10/21/10	\$27,210,000	3/1/19	1,000,000	3.500%	\$22,185,000	975,000	21,210,000
			3/1/20	1,025,000	3.500%			
			3/1/21	1,025,000	3.500%			
			3/1/22	1,050,000	3.500%			
			3/1/23	1,050,000	4.000%			
			3/1/24	1,050,000	4.000%			
			3/1/25	1,075,000	4.000%			
			3/1/26	1,085,000	4.000%			
			3/1/27	1,150,000	4.000%			
			3/1/28	1,175,000	4.000%			
			3/1/29	1,200,000	4.000%			
			3/1/30	1,200,000	4.000%			
			3/1/31	1,225,000	4.125%			
			3/1/32	1,250,000	4.125%			
			3/1/33	1,300,000	4.250%			
			3/1/34	1,400,000	4.250%			
			3/1/35	1,450,000	4.375%			
			3/1/36	1,500,000	4.375%			
			Total			\$22,185,000	975,000	21,210,000

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2018**

PURPOSE	DATE OF LEASE	TERM OF LEASE	PRINCIPAL	INTEREST RATE	BALANCE		
					JUNE 30, 2017	JUNE 30, 2018	
Time Management System Front Loader with Rail Forks	5/18/13	5 Years	156,906	3.990%	28,371	28,371	
	1/04/18	5 Years	145,551	3.500%	145,611	29,292	
Total					\$28,371	145,611	57,663
						145,611	116,319

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARATIVE SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES:					
Local Sources:					
Local Tax Levy	\$1,857,932		1,857,932	1,857,932	
Total Sources	1,857,932		1,857,932	1,857,932	
Total Revenues	1,857,932		1,857,932	1,857,932	
EXPENDITURES:					
Regular Debt Service:					
Interest	882,932		882,932	882,932	
Redemption of Principal	975,000		975,000	975,000	
Total Regular Debt Service	1,857,932		1,857,932	1,857,932	
Total Expenditures	1,857,932		1,857,932	1,857,932	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures					
Fund Balance, July 1	3		3	3	
Fund Balance, June 30	\$3	-	3	3	-

Page Intentionally Left Blank

J. STATISTICAL SECTION

(Unaudited)

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental Activities:										
Invested in Capital Assets,										
Net of Related Debt	\$35,165,194	37,303,837	38,925,358	42,580,263	43,042,713	24,201,517	12,400,550	11,945,109	11,492,941	10,981,932
Restricted	4,779,636	5,239,338	4,521,274	2,183,129	8,843,115	31,045,537	44,872,535	42,502,220	1,580,009	851,191
Unrestricted	(22,492,421)	(23,029,118)	(22,831,262)	(23,434,144)	(3,176,483)	(3,287,552)	(2,698,210)	(2,728,235)	36,607,677	(3,910,226)
Total Governmental Activities	\$17,452,409	19,514,057	20,615,370	21,329,248	48,709,345	51,959,502	54,574,875	51,719,094	49,680,627	7,922,897
Business-Type Activities:										
Invested in Capital Assets,										
Net of Related Debt	\$161,577	135,181	108,403	145,000	194,797	199,304	197,109	137,171	127,214	111,897
Unrestricted	539,016	715,268	923,052	986,863	1,044,797	777,766	586,500	526,227	516,232	848,655
Total Business-Type Activities	\$700,593	850,449	1,031,455	1,131,863	1,239,594	977,070	783,609	663,398	643,446	960,552
District-Wide:										
Invested in Capital Assets,										
Net of Related Debt	\$35,326,771	37,439,018	39,033,761	42,725,263	43,237,510	24,400,821	12,597,659	12,082,280	11,620,155	11,093,829
Restricted	4,779,636	5,239,338	4,521,274	2,183,129	8,843,115	31,045,537	44,872,535	42,502,220	1,580,009	851,191
Unrestricted	(21,953,405)	(22,313,850)	(21,908,210)	(22,447,281)	(2,131,686)	(2,509,786)	(2,111,710)	(2,202,008)	37,123,909	(3,061,571)
Total District Net Position	\$18,153,002	20,364,506	21,646,825	22,461,111	49,948,939	52,936,572	55,358,484	52,382,492	50,324,073	8,883,449

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$19,545,096	18,814,343	18,327,823	19,912,898	19,232,099	20,698,772	20,095,654	20,998,139	22,158,920	22,309,269
Special Education	4,662,438	4,756,051	4,740,486	4,769,972	4,899,892	4,927,192	4,717,371	5,121,749	5,438,672	5,814,030
Other Special Instruction			120,667	185,893	185,793	183,048	177,808	486,587	1,201,065	198,982
Other Instruction	1,704,901	1,573,121	1,703,235	1,707,254	1,900,528	1,743,985	1,655,802	650,807	901,302	620,008
Support Services & Undistributed Costs:										
Tuition	9,240,020	9,204,236	8,822,569	8,533,377	8,976,905	7,750,923	8,470,655	7,618,065	7,565,689	7,722,993
Attendance & Social Work Services	347,188	367,247	283,368	306,498	257,992	195,888	284,406	187,375	274,889	203,540
Health Services	680,830	734,973	829,075	722,870	660,860	653,572	528,349	591,926	662,385	653,772
Student & Instruction Related Services	6,056,523	5,131,256	5,489,180	5,133,102	5,124,745	5,527,971	4,538,191	5,176,799	5,252,117	5,984,964
Educational Media Services/School Library	850,840	726,244	715,930	707,546	740,030	725,045	646,765	652,585	652,260	714,556
Instructional Staff Training	689,211	422,770	444,889	342,053	423,091	766,033	742,191	861,943	1,516,250	540,327
School Administrative Services	1,254,434	1,809,631	1,851,657	1,800,316	1,794,520	1,380,671	1,252,085	1,548,734	548,526	2,714,186
Other Administrative Services	2,375,692	2,775,031	2,584,173	2,651,799	2,723,802	2,795,710	2,736,892	2,667,609	2,786,740	2,575,002
Central Services	931,841	1,080,151	1,021,087	1,056,532	851,409	1,028,021	978,575	934,498	1,096,668	1,222,775
Plant Operations & Maintenance	7,446,979	7,083,496	7,071,093	6,680,487	6,914,269	6,603,228	6,505,589	6,573,041	7,516,162	7,506,237
Pupil Transportation	3,792,039	3,743,123	3,600,282	3,299,721	2,935,174	2,695,351	2,632,333	2,869,326	2,600,105	2,767,891
Business & Other Support Services										
Unallocated Benefits	19,502,497	18,461,752	17,016,392	15,883,337	15,342,429	16,201,730	14,915,430	13,418,936	15,561,788	13,698,278
Special Schools										
Transfer to Charter School	2,966,373	2,590,757	2,315,252	2,152,031	2,255,554	1,785,158	184,160	126,776	39,458	65,641
Scholarship Awarded	625	724	1,448	1,800	3,090	4,250	7,215	1,800	96,668	78,175
Nonbondable Capital Assets	62,315	95,311	106,609	85,291	25,569	6,961	42,581	48,873	2,207	20,671
Cancellation of Grant Receivable				3,501,963						
Interest on Long-Term Debt	866,546	864,887	956,156	994,150	994,798	1,024,961	1,050,495	691,034	56,735	108,022
Increase in Pension Liability	402,625	1,621,272	519,646							
Increase in Other Liability				2,414,016						
Increase/(Reduction) of Compensated Absences Liability			236,477	587,311		259,402	(615,793)	256,659	(55,885)	(363,794)
Loss on Disposal of Fixed Assets								191,446		
Unallocated Depreciation	3,801,518	3,866,395	3,575,476	4,066,685	3,518,186	2,664,512	1,201,544	1,257,654	1,215,858	1,174,218
Total Governmental Activities Expenses	87,180,531	85,722,771	82,332,970	87,496,902	79,760,735	79,622,384	72,748,298	72,970,477	77,088,579	76,329,743

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Business-Type Activities:										
Food Service	2,385,185	2,389,685	2,054,790	1,872,408	1,852,816	1,889,154	1,948,729	1,851,311	1,856,766	1,752,535
Day Care	750,547	696,695	883,586	835,483	637,742	602,796	635,162	729,033	1,001,522	857,294
Total Business-Type Activities Expense	3,135,732	3,086,380	2,938,376	2,707,891	2,490,558	2,491,950	2,583,891	2,580,344	2,858,288	2,609,829
Total District Expenses	\$90,316,263	88,809,151	85,271,346	90,204,793	82,251,293	82,114,334	75,332,189	75,550,821	79,946,867	78,939,572
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$11,909,513	11,005,743	8,111,392	9,438,459	9,698,718	11,626,744	9,201,768	10,565,238	9,869,771	9,310,078
Total Governmental Activities Program Revenues	11,909,513	11,005,743	8,111,392	9,438,459	9,698,718	11,626,744	9,201,768	10,565,238	9,869,771	9,310,078
Business-Type Activities:										
Charges for Services:										
Food Service	509,012	520,232	514,140	486,827	488,056	504,137	523,662	604,756	627,010	738,210
Day Care	704,908	738,004	768,968	753,344	735,848	730,143	787,170	802,192	795,896	841,609
Operating Grants & Contributions	1,771,956	1,647,138	1,554,860	1,535,995	1,528,816	1,451,006	1,393,254	1,192,841	1,115,823	1,089,163
Total Business Type Activities Program Revenues	2,985,876	2,905,374	2,837,968	2,776,166	2,752,720	2,685,286	2,704,086	2,599,789	2,538,729	2,668,982
Total District Program Revenues	\$14,895,389	13,911,117	10,949,360	12,214,625	12,451,438	14,312,030	11,905,854	13,165,027	12,408,500	11,979,060
Net (Expense)/Revenue:										
Governmental Activities	(\$75,271,018)	(74,717,028)	(74,221,578)	(78,058,443)	(70,062,017)	(67,995,640)	(63,546,530)	(62,405,239)	(67,218,808)	(67,019,665)
Business-Type Activities	(149,856)	(181,006)	(100,408)	68,275	262,162	193,336	120,195	19,445	(319,559)	59,153
Total District-Wide Net Expense	(\$75,420,874)	(74,898,034)	(74,321,986)	(77,990,168)	(69,799,855)	(67,802,304)	(63,426,335)	(62,385,794)	(67,538,367)	(66,960,512)

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$30,459,993	29,862,738	28,168,680	26,297,476	25,290,271	24,794,383	24,794,383	26,257,482	26,217,183	27,735,237
Taxes Levied for Debt Service	1,857,932	1,866,182	1,847,682	1,818,652	1,805,432	1,807,556	2,135,271	705,385	590,084	564,415
Unrestricted Grants & Contributions	39,335,426	39,275,700	41,105,434	39,067,201	38,720,192	38,040,478	38,806,675	36,894,851	80,299,314	39,761,209
Tuition	132,863	208,462	567,078	168,510	286,014	221,579	255,484	259,103	650,655	929,453
Miscellaneous Income	233,218	545,782	855,465	752,008	625,141	516,271	410,498	326,885	1,219,302	1,020,796
Transfers	270,756	374,500	400,000	8,778						
Decrease in Pension Liability				26,862						
Decrease in Other Liability	675,000	675,000	389,017							
Decrease in Compensated Absences Liability	244,182	807,351			84,810					
Unallocated Loss on Revaluation of Fixed Assets & Related Depreciation										
Total Governmental Activities	73,209,370	73,615,715	73,333,356	68,139,487	66,811,860	65,380,267	66,402,311	64,443,706	108,976,538	70,011,110
Business-Type Activities:										
Investment Earnings		369		369	362	125	16	507	2,453	5,854
Transfers										
Total Business-Type Activities				369	362	125	16	507	2,453	5,854
Total District-Wide	\$73,209,370	73,615,715	73,333,356	68,139,856	66,812,222	65,380,392	66,402,327	64,444,213	108,978,991	70,016,964
Change in Net Position:										
Governmental Activities	(\$2,061,648)	(1,101,313)	(888,222)	(9,918,956)	(3,250,157)	(2,615,373)	2,855,781	2,038,467	41,757,730	2,991,445
Business-Type Activities	(149,856)	(181,006)	(100,408)	68,644	262,524	193,461	120,211	19,952	(317,106)	65,007
Total District	(\$2,211,504)	(1,282,319)	(988,630)	(9,850,312)	(2,987,633)	(2,421,912)	2,975,992	2,058,419	41,440,624	3,056,452

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund:										
Reserved	\$4,675,678	5,134,812	4,412,567	3,104,351	3,695,320	4,848,410	5,651,387	3,321,588	1,837,465	3,552,792
Unreserved	(681,069)	(748,719)	(1,755,981)	(1,729,155)	(1,573,818)	(1,589,444)	(1,272,801)	(1,032,750)	(1,921,954)	(1,640,058)
Total General Fund	\$3,994,609	4,386,093	2,656,586	1,375,196	2,121,502	3,258,966	4,378,586	2,288,838	(84,489)	1,912,734
All Other Governmental Funds:										
Unreserved, Reported in:										
Special Revenue Fund							(139,778)			(105,016)
Capital Projects Fund	64,520	64,520	68,020	6,196,885	13,758,372	28,168,838	49,449,681	62,802,621	40,142,835	75,859
Debt Service Fund	3	3	2	1	2	2	2	2	2	2
Permanent Fund	39,435	40,003	40,685	42,096	43,532	46,312	50,482	57,596	56,609	58,575
Total All Other Governmental Funds	\$103,958	104,526	108,707	6,238,982	13,801,906	28,215,152	49,360,387	62,860,219	40,199,446	29,420

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues:										
Tax Levy	\$32,317,925	31,728,920	30,016,362	28,116,128	27,095,703	26,601,939	26,929,654	26,962,867	26,807,267	28,299,652
Tuition Charges	132,863	208,462	567,078	168,510	286,014	221,579	255,484	259,103	650,655	929,453
Miscellaneous	247,945	543,440	873,356	755,381	633,813	539,231	415,900	341,603	487,309	1,024,535
State Sources	48,798,428	47,599,787	47,020,944	46,055,646	45,627,220	45,611,272	44,097,328	43,283,806	80,066,616	45,612,729
Federal Sources	2,431,784	2,675,058	2,177,991	2,446,641	2,783,018	4,053,882	3,905,713	4,161,565	10,094,364	3,454,819
Total Revenue	83,928,945	82,755,667	80,655,731	77,542,306	76,425,768	77,027,903	75,604,079	75,008,944	118,106,211	79,321,188
Expenditures:										
Instruction	25,914,725	25,253,515	24,997,211	26,676,017	26,218,312	27,552,997	26,646,635	27,257,282	29,699,959	28,942,289
Undistributed Expenditures	53,172,378	51,547,294	49,761,235	47,147,945	46,774,348	46,324,143	44,231,461	43,539,391	48,983,595	50,956,707
Special Schools								38,116	39,458	65,641
Capital Outlay	679,720	155,310	6,981,789	4,553,127	14,919,742	22,318,654	13,809,421	4,801,533	887,483	2,225,216
Debt Service	1,857,932	1,866,181	1,847,681	1,827,431	1,805,432	1,807,556	2,135,271	1,228,500	1,182,438	1,131,000
Expendable Trusts	625	724	1,448	1,800	3,090	4,250	7,215	1,800	2,207	20,671
Total Expenditures	81,625,380	78,823,024	83,589,364	80,206,320	89,720,924	98,007,600	86,830,003	76,866,622	80,795,140	83,341,524
Excess (Deficiency) of Revenues										
Over/(Under) Expenditures	2,303,565	3,932,643	(2,933,633)	(2,664,014)	(13,295,156)	(20,979,697)	(11,225,924)	(1,857,678)	37,311,071	(4,020,336)
Other Financing Sources/(Uses):										
Cancellation of Prior Year				(3,501,963)				(191,446)		
Accounts Receivable									218,302	602,806
Proceeds from Capital Leases										
Bond Proceeds		8,940				500,000		27,210,000		
Snow Storm Reimbursement - FEMA										
Transfers in	270,756	374,500	400,000	8778					740,098	
Transfers Out	(2,966,373)	(2,590,757)	(2,315,252)	(2,152,031)	(2,255,554)	(1,785,158)	(184,160)	(126,776)	(96,668)	(78,175)
Total Other Financing Sources/(Uses)	(2,695,617)	(2,207,317)	(1,915,252)	(5,645,216)	(2,255,554)	(1,285,158)	(184,160)	26,891,778	861,732	524,631
Net Change in Fund Balances	(\$392,052)	1,725,326	(4,848,885)	(8,309,230)	(15,550,710)	(22,264,855)	(11,410,084)	25,034,100	38,172,803	(3,495,705)
Debt Service as a Percentage of										
Noncapital Expenditures	2.3%	2.4%	2.5%	2.5%	2.5%	2.4%	3.0%	1.7%	1.5%	1.4%

Source: District records

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDED JUNE 30,	TUITION	INTEREST ON INVESTMENTS	MISCELLANEOUS	TOTAL
2018	\$132,863	53,755	179,406	366,024
2017	208,462	19,367	517,433	745,262
2016	567,078	13,585	841,843	1,422,506
2015	168,510	1,099	750,545	920,154
2014	286,014	448	624,383	910,845
2013	221,579	7,657	529,426	758,662
2012	255,484	21,037	389,360	665,881
2011	259,103	38,303	285,795	583,201
2010	650,655	17,853	460,918	1,129,426
2009	929,453	88,420	914,985	1,932,858

Source: District records

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENTS	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2018	\$10,143,700	1,692,477,800	393,400	6,000	131,648,000	9,583,400	29,256,000	1,873,508,300	100	1,873,508,400	1.789	1,857,901,925
2017	10,998,300	1,695,275,900	393,400	6,000	131,693,800	9,583,400	24,879,100	1,872,829,900	100	1,872,830,000	1.726	1,763,440,845
2016	13,364,000	1,702,680,000	393,400	6,000	124,683,600	9,583,400	19,766,000	1,870,476,400	100	1,870,476,500	1.697	1,754,858,163
2015	13,330,300	1,705,521,000	393,400	6,000	132,203,100	10,763,000	15,253,000	1,877,469,800	100	1,877,469,900	1.599	1,877,469,900
2014	14,347,100	1,709,403,800	303,400	1,600	124,962,100	10,763,000	15,253,000	1,875,034,000	2,704,674	1,877,738,674	1.498	1,794,270,588
2013	14,520,400	1,714,630,100	303,400	7,700	130,035,040	10,763,000	15,253,000	1,885,512,640	2,404,764	1,887,917,404	1.435	1,856,932,301
2012	14,856,300	1,721,819,400	303,400	7,700	133,318,440	10,763,000	13,897,900	1,894,966,140	4,811,566	1,899,777,706	1.400	1,946,351,716
2011	15,190,100	1,730,962,800	422,400	7,700	136,527,240	11,830,900	13,043,900	1,907,985,040	4,798,164	1,912,783,204	1.408	2,155,725,577
2010	16,578,700	1,738,859,600	428,100	2,000	149,685,420	11,901,600	13,929,000	1,931,384,420	5,657,093	1,937,041,513	1.392	1,988,829,412
2009	6,390,400	1,041,906,650	146,000	2,000	61,605,620	6,521,000	2,894,300	1,116,571,670	2,879,143	1,119,450,813	2.388	1,770,640,583

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

a. Tax rates are per \$100

* Revaluation

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF WILLINGBORO	BURLINGTON COUNTY	
2018	1.789	1.789	1.718	0.336	3.843
2017	1.726	1.726	1.713	0.353	3.792
2016	1.697	1.697	1.705	0.352	3.754
2015	1.599	1.599	1.665	0.361	3.625
2014	1.498	1.498	1.619	0.334	3.451
2013	1.435	1.435	1.560	0.343	3.338
2012	1.400	1.400	1.497	0.354	3.251
2011	1.408	1.408	1.469	0.367	3.244
*2010	1.392	1.392	1.416	0.393	3.201
2009	2.388	2.388	2.198	0.678	5.264

Source: Municipal Tax Collector

* Revaluation 2010

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND TEN YEARS AGO**

TAXPAYER	2018		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Lourdes Medical Center of Burlington County	\$38,793,400	1	2.07%
Willingboro Board of Education	26,799,200	2	1.43%
Township of Willingboro	25,396,600	3	1.36%
Willingboro Board of Education	16,403,800	4	0.88%
Willingboro Square LLC	15,253,000	5	0.81%
Radwell Real Estate Willingboro LLC	12,000,000	6	0.64%
Willingboro Town Center Urban Ren. Sears, LLC	10,169,200	7	0.54%
RFB Properties, NJ 2	8,000,000	8	0.43%
Willingboro Board of Education	7,960,700	9	0.42%
Amer Stores Co LLC Marvin F Poers	7,800,000	10	0.42%
Total	\$168,575,900		9.00%

TAXPAYER	2009		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Leonar Northeast Partners	\$4,775,000	1	0.43%
American Stores Realty Co.	4,072,200	2	0.36%
Willingboro Village Mall, Limited	2,783,000	3	0.25%
California Gold LTD	2,425,000	4	0.22%
Willingboro Wire Corporation	1,932,000	5	0.17%
Levittown Times Corporation	1,842,000	6	0.16%
New Jersey Bell	1,232,000	7	0.11%
Burwill Association	983,000	8	0.09%
Rancocas Medical Center	983,000	9	0.09%
Freedom Properties	827,400	10	0.07%
Total	\$21,854,600		1.96%

Source: Municipal Tax Assessor

EXHIBIT J-9

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2018	\$30,459,993	30,459,993	100.00%
2017	29,862,738	29,862,738	100.00%
2016	28,168,680	28,168,680	100.00%
2015	26,297,476	26,297,476	100.00%
2014	25,290,271	25,290,271	100.00%
2013	24,794,383	24,794,383	100.00%
2012	24,794,383	24,794,383	100.00%
2011	26,962,867	26,962,867	100.00%
2010	26,807,267	26,807,267	100.00%
2009	28,299,652	28,299,652	100.00%

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

EXHIBIT J-10

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2018	\$21,210,000	116,319		21,326,319	N/A
2017	22,185,000	28,371		22,213,371	N/A
2016	23,135,000	171,195		23,306,195	410.23
2015	24,035,000	307,735		24,342,735	439.79
2014	24,885,000	438,042		25,323,042	479.21
2013	25,685,000	500,000		26,185,000	512.07
2012	26,460,000	234,000		26,694,000	526.10
2011	27,210,000	376,000		27,586,000	555.08
2010	1,200,000	511,000		1,711,000	35.66
2009	2,300,000	791,911		3,091,911	65.00

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	<u>GENERAL BONDED DEBT OUTSTANDING</u>		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2017	\$21,210,000	21,210,000	1.13%	N/A
2016	22,185,000	22,185,000	1.19%	390.50
2015	23,135,000	23,135,000	1.23%	417.97
2014	24,035,000	24,035,000	1.28%	454.84
2013	24,885,000	24,885,000	1.32%	486.64
2012	25,685,000	25,685,000	1.35%	506.22
2011	26,460,000	26,460,000	1.38%	532.43
2010	27,210,000	27,210,000	1.40%	567.05
2009	1,200,000	1,200,000	0.11%	25.23
2008	2,300,000	2,300,000	0.21%	48.20

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2018**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Willingboro	\$45,430,353	100.000%	\$45,430,353
Burlington County	297,339,680	3.825%	<u>11,373,243</u>
Subtotal, Overlapping Debt			56,803,596
Willingboro Township Board of Education			<u>21,210,000</u>
Total Direct & Overlapping Debt			<u><u>\$78,013,596</u></u>

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt Limit	\$71,156,503	70,343,481	70,885,431	72,266,310	74,854,360	81,639,549	86,543,093	86,195,938	83,322,599	77,789,102
Total Net Debt Applicable to Limit	21,210,000	22,185,000	23,135,000	24,035,000	24,885,000	25,685,000	27,210,000	1,200,000	2,300,000	3,300,000
Legal Debt Margin	<u>\$49,946,503</u>	<u>48,158,481</u>	<u>47,750,431</u>	<u>48,231,310</u>	<u>49,969,360</u>	<u>55,954,549</u>	<u>59,333,093</u>	<u>84,995,938</u>	<u>81,022,599</u>	<u>74,489,102</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	29.81%	31.54%	32.64%	33.26%	33.24%	31.46%	31.44%	1.39%	2.76%	4.24%

Legal Debt Margin Calculation for Fiscal Year 2017

Equalized Valuation Basis	
2017	\$1,830,544,426
2016	1,752,859,526
2015	<u>1,753,333,769</u>
	<u>\$5,336,737,721</u>
Average Equalized Valuation of Taxable Property	<u>\$1,778,912,574</u>
Debt Limit (4 % of Average Equalization Value) Net Bonded School Debt	<u>\$71,156,503</u> <u>21,210,000</u>
Legal Debt Margin	<u>\$49,946,503</u>

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	BURLINGTON	UNEMPLOYMENT
		COUNTY	
		PER CAPITA	RATE
		INCOME	
2017	32,062	N/A	5.80%
2016	31,692	56,812	6.20%
2015	31,191	55,351	7.40%
2014	31,360	52,843	9.00%
2013	31,424	51,136	11.20%
2012	31,608	50,739	12.30%
2011	31,610	49,697	9.10%
2010	31,635	47,985	10.90%
2009	36,284	47,569	10.50%
2008	36,415	47,722	7.40%

Source:

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

EXHIBIT J-15 NOT AVAILABLE

EXHIBIT J-16 NOT AVAILABLE

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2018	3,458	\$79,087,103	22,871	-2.23%	308	11.4/1	3,484	3,241	-4.23%	-4.51%
2017	3,577	76,800,809	21,471	-8.21%	299	18.9/1	3,638	3,394	-0.71%	-1.02%
2016	3,196	74,758,446	23,391	40.30%	319	10/1	3,664	3,429	-2.01%	-1.18%
2015	4,428	73,823,962	16,672	-12.91%	358	12/1	3,739	3,470	-4.18%	-3.74%
2014	3,813	72,992,660	19,143	12.33%	308	12.4/1	3,902	3,605	-8.15%	-13.40%
2013	4,335	73,877,140	17,042	-1.32%	391	9.4/1	4,248	4,163	8.45%	8.44%
2012	4,104	70,878,096	17,270	8.20%	420	9.5/1	3,917	3,839	-9.93%	-9.92%
2011	4,438	70,834,789	15,961	-7.18%	408	10.8/1	4,349	4,262	-3.05%	-3.07%
2010	4,578	78,723,012	17,196	0.66%	466	9.8/1	4,486	4,397	-2.20%	-2.20%
2009	4,681	79,964,637	17,083	26.70%	428	10.9/1	4,587	4,496	-1.55%	-1.53%

Sources: District records

Note: Enrollment based on annual October district count.

a. Operating expenditures equal total expenditures less debt service and capital outlay.

b. Teaching staff includes only full-time equivalents of certificated staff.

c. Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

EXHIBIT J-18 NOT AVAILABLE

EXHIBIT J-19

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 SCHEDULE OF REQUIRED MAINTENANCE
 LAST TEN FISCAL YEARS

SCHOOL FACILITIES	PROJECT #	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Willingboro High School	N/A	\$321,867	241,111	217,248	220,404	226,216	217,404	\$258,094	215,492	317,431	308,353
Memorial Junior High School	N/A	224,832	168,421	151,752	153,958	158,017	151,862	180,284	150,526	221,733	215,392
Sydney W. Bookbinder Elementary School	N/A			56,067							
Garfield Park East Elementary School	N/A	72,813	54,544	49,146	48,988	50,279	48,321	58,386	47,896	70,553	68,535
Hawthorne Park Elementary School	N/A	83,068	62,226	56,067	42,756	43,883	42,174	66,609	41,803	61,578	59,817
WR James Elementary School	N/A	83,068	62,226	56,067	57,720	59,241	56,934	66,609	56,433	83,129	80,752
Joseph A. McGinley Elementary School	N/A			56,067							
Twin Hills Elementary School	N/A	72,547	54,345	48,966	55,192	56,647	54,441	58,173	53,962	79,489	77,216
Country Club Administrative Building	N/A	54,560	40,871	36,826	35,648	36,588	35,163	43,750	34,854	51,342	49,873
District Warehouse & Garage	N/A	25,453	24,029	17,180	48,414	49,691	47,755	20,410	47,335	69,727	67,733
J. Cressewill Stuart Elementary	N/A	86,905	65,101	58,658	58,421	59,961	57,625	69,686	57,119	84,139	81,732
Levitt Middle School	N/A	134,556	132,407		92,139	94,568	90,885	107,895	90,086	132,700	128,906
Grand Total		\$1,159,669	905,281	804,044	813,640	835,091	802,564	929,896	795,506	1,171,821	1,138,309

Source: District records

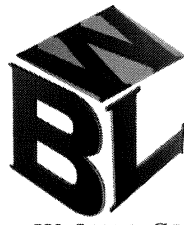
**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2018**

	COVERAGE	DEDUCTIBLE
Property: Real & Personal Property	\$500,000,000	2,500
Increased Cost of Construction	25,000,000	Included
Earthquake	25,000,000	Included
Flood	10,000,000	Included
Extra Expense	50,000,000	Included
Valuable Papers	250,000,000	Included
Loss of Rents	500,000	Included
Business Income/Tuition	N/A	
Electronic Data Processing	N/A	
 Arson Reward & Fire Department Surcharge	 10,000	 Included
 Boiler & Machinery:		
Equipment Breakdown	100,000,000	2,500
 Blanket Faithful Performance	 500,000	 1,000
Money & Securities	50,000	1,000
Depositors' Forgery	50,000	1,000
 Bonds:		
Board Secretary	400,000	
Treasurer	400,000	

Source: District records.

Page Intentionally Left Blank

SINGLE AUDIT SECTION



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

EXHIBIT K-1

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLAINTS 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
Willingboro Township School District
County of Burlington
Willingboro, New Jersey 08046

I have audited, in accordance with auditing standards generally accepted in the United States of America and 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 governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Willingboro Township School District, in the County of Burlington, 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 Willingboro Township School District's basic financial statements, and have issued my report thereon dated January 25, 2019.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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. I consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2018-01, 2018-02 and 2018-03 to be material weaknesses.

609-456-8804
3008 New Albany Rd., Cinnaminson, NJ 08077

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Willingboro Township School District Board of Education's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that 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.

Willingboro Township School District Board of Education's Response to Finding

Willingboro Township School District Board of Education's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. Willingboro Township School District Board of Education's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

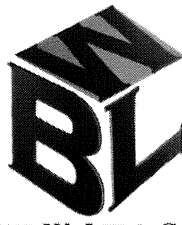
The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance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

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Public School Accountant No. 700

Cinnaminson, New Jersey
January 25, 2019



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

EXHIBIT K-2

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

The Honorable President and
Members of the Board of Education
Willingboro Township School District
County of Burlington
Willingboro, New Jersey 08046

Report on Compliance for Each Major Federal and State Program

I have audited the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of Willingboro Township School District's major federal or state programs for the year ended June 30, 2018. Willingboro Township School District's major federal or 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, federal and state statutes, and the terms and conditions of its federal and financial assistance applicable to its federal and state programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of Willingboro Township School District's major federal and state programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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 *New Jersey State Aid/Grant Compliance Supplement* and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, Uniform Guidance and New Jersey OMB Circular 15-08 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Willingboro Township School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

609-456-8804
3008 New Albany Rd., Cinnaminson, NJ 08077

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

Basis for Qualified Opinion on Equalization Aid

As described in the accompanying schedule of findings and questioned costs, the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey, did not comply with requirements regarding the Equalization Aid state program and associated finding numbers matched to the types of compliance requirements as described in finding numbers 2018-01 and 2018-02 for Special Test and Provisions. Compliance with such requirements is necessary, in my opinion, for the Board of Education of the Willingboro Township School District to comply with the requirements applicable to that program.

Qualified Opinion on Equalization Aid

In my opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Equalization Aid state program for the year ended June 30, 2018.

Unmodified Opinion on Each of the Other Major Federal and State Programs

In my opinion, the Willingboro Township School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2018.

Other Matters

The results of my auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018-03. My opinion on each major federal and state program is not modified with respect to this matter.

The Willingboro Township School District's response to the noncompliance findings identified in my audit is described in the accompanying schedule of findings and questioned costs. The Willingboro Township School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

Report on Internal Control over Compliance

Management of the Board of Education of the Willingboro Township School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance I considered Willingboro Township School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purposes of expressing my 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's OMB's Circular 5-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Willingboro Township School District's internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weakness or significant deficiencies and therefore, material weakness or significant deficiencies may exist that were not identified. I identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2018-01, 2018-02 and 2018-03 that I consider to be material weaknesses.

The Willingboro Township School District's response to the internal control over compliance findings identified in my audit is described in the accompanying schedule of findings and questioned costs. The Willingboro Township School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

I have audited the financial statements of the Willingboro Township School District as of and for the year ended June 30, 2018, and have issued my report thereon dated January 25, 2019, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Public School Accountant No. 700
Brent W. Lee & Co., LLC

Cinnaminson, New Jersey
January 25, 2019

Page Intentionally Left Blank

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAIN NUMBER	GRANT PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2017	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) 2018	UNEARNED REVENUE AT JUNE 30, 2018	DUE TO GRANTOR JUNE 30, 2018
U.S. DEPARTMENT OF AGRICULTURE PASSED-														
THROUGH STATE DEPARTMENT OF EDUCATION:														
Food Distribution Program	10.555	18INJ304N1099	N/A	\$118,206	7/1/17-6/30/18	(815,225)		118,206	(118,206)					
After School Snack Program	10.555	17INJ304N1099	N/A	77,832	7/1/16-6/30/17			15,225						
After School Snack Program	10.555	18INJ304N1099	N/A	54,106	7/1/17-6/30/18	(42,482)		43,183	(54,106)		(10,923)			
School Breakfast Program	10.553	17INJ304N1099	N/A	333,351	7/1/16-6/30/17			42,482						
School Breakfast Program	10.553	18INJ304N1099	N/A	444,611	7/1/17-6/30/18			313,522	(444,611)		(131,089)			
National School Lunch HFFKA	10.592	17INJ304N1099	N/A											
- PB Lunch Program	10.592	18INJ304N1099	N/A	26,339	7/1/16-6/30/17	(2,234)		2,234						
- PB Lunch Program	10.555	17INJ304N1099	N/A	26,222	7/1/17-6/30/18			20,230	(26,222)		(5,992)			
National School Lunch Program	10.555	17INJ304N1099	N/A	1,102,463	7/1/16-6/30/17	(101,909)		101,909						
National School Lunch Program	10.555	18INJ304N1099	N/A	1,131,466	7/1/17-6/30/18			864,367	(1,131,466)		(267,099)			
						(161,850)		1,521,358	(1,774,611)		(415,103)			
Total U.S. Department of Agriculture														
U.S. DEPARTMENT OF EDUCATION PASSED-														
THROUGH STATE DEPARTMENT OF EDUCATION:														
Special Revenue	84.010	S010A150030	NCLB3805-17	837,863	7/1/16-6/30/17	(366,299)		366,299						
Title I - Part A	84.010	S010A160030	NCLB3805-18	930,910	7/1/17-6/30/18			373,854	(931,400)		(557,546)			
Title I - Part A	84.367A	S367A160029	NCLB3805-17	187,896	7/1/16-6/30/17	(22,080)		22,080						
Title II - Part A	84.367A	S367A170029	NCLB3805-18	159,419	7/1/17-6/30/18	(1,335)		129,443	(184,459)	(264)	(55,280)			
Title III	84.365	S365A150030	NCLB3805-17	12,578	7/1/16-6/30/17			1,335						
Title III	84.365	S365A170030	NCLB3805-18	11,731	7/1/17-6/30/18	(28)		3,347	(11,099)		(7,752)			
Title III Immigrant	84.365A	S365A160030	NCLB3805-17	5,029	7/1/16-6/30/17			28						
Title IV	84.424	S424A170031	NCLB3805-18	11,504	7/1/17-6/30/18			750	(1,235)		(485)			
I.D.E.A. Preschool	84.173	S173A160114	PS5805-17	34,585	7/1/16-6/30/17	(66,180)		66,180						
I.D.E.A. Preschool	84.173	S173A170114	PS5805-18	34,622	7/1/17-6/30/18			1,143	(9,783)		(8,640)			
I.D.E.A. B - Basic	84.027	S027A160100	IDEA580517	1,182,438	7/1/16-6/30/17	(1,308,261)		1,308,261						
I.D.E.A. B - Basic	84.027	S027A170100	IDEA580518	1,189,952	7/1/17-6/30/18			738,768	(1,143,424)		(404,656)			

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAIN NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2017	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2018	UNEARNED REVENUE AT JUNE 30, 2018	DUE TO GRANTOR JUNE 30, 2018
Special Revenue (continued):														
Carl D. Perkins Vocational	84.048	S048A160030	PERK380517	15,808	7/1/16-6/30/17	(10,079)		10,079						
Carl D. Perkins Vocational	84.048	S048A170030	PERK380518	14,706	7/1/17-6/30/18	(6,398)		4,052	(14,699)		(10,647)			
21st Century CLC	84.287C	S287C150030	10-EK05-H14	535,000	9/1/13-8/31/14	(4,147)					(6,398)			
ROTC	12.999	N/A	N/A	56,321	7/1/11-6/30/13						(4,147)			
Total U.S. Department of Education						(1,784,807)		3,025,619	(2,296,099)	(264)		(1,055,551)		
General Fund:														
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	33,176	7/1/16-6/30/17	(4,484)		4,484						
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	116,640	7/1/17-6/30/18			116,640	(116,640)					
Total General Fund						(4,484)		121,124	(116,640)					
Total Federal Financial Assistance						(\$1,951,141)		4,668,101	(4,187,350)	(264)		(1,470,654)		

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE 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	BALANCE AT JUNE 30, 2017	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	INTER- GOVERNMENTAL (ACCOUNTS RECEIVABLE) AT JUNE 30, 2018	UNEARNED REVENUE/ INTERFUND PAYABLE AT JUNE 30, 2018	DUE TO GRANTOR JUNE 30, 2018	MEMO		
													BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
State Department of Education:															
General Fund:															
Equalization Aid	18-495-034-5120-078	\$34,408,654	7/1/17-6/30/18			34,387,336	(34,387,336)						(3,422,646)	34,387,336	
Transportation Aid	18-495-034-5120-014	470,570	7/1/17-6/30/18			470,570	(470,570)						(43,539)	470,570	
Special Education Aid	18-495-034-5120-089	2,391,334	7/1/17-6/30/18			2,391,334	(2,391,334)						(221,257)	2,391,334	
Security Aid	18-495-034-5120-084	1,086,670	7/1/17-6/30/18			1,086,670	(1,086,670)						(93,888)	1,086,670	
Extraordinary Aid	17-495-034-5120-044	777,867	7/1/16-6/30/17	(777,867)		777,867				(823,372)				823,372	
Extraordinary Aid	18-495-034-5120-044	823,372	7/1/17-6/30/18			38,910	(823,372)						(3,600)	38,910	
PARCC Readiness	18-495-034-5120-098	38,910	7/1/17-6/30/18			38,910	(38,910)						(3,600)	38,910	
Per Pupil Growth Aid	18-495-034-5120-097	38,910	7/1/17-6/30/18			38,910	(38,910)						(3,600)	38,910	
Professional Learning Community Aid	18-495-034-5120-101	36,830	7/1/17-6/30/18			36,830	(36,830)						(3,408)	36,830	
Nonpublic Transportation	17-100-034-5120-068	40,932	7/1/16-6/30/17	(40,932)		40,932				(70,213)				70,213	
Nonpublic Transportation	18-100-034-5120-068	70,213	7/1/17-6/30/18				(70,213)								
On-Behalf TPAF Pension	18-495-034-5120-068	70,213	7/1/17-6/30/18				(70,213)								
Contributions (Nonbudgeted)	18-495-034-5094-002	3,556,332	7/1/17-6/30/18			3,556,332	(3,556,332)							3,556,332	
On-Behalf TPAF Post-Retirement	18-495-034-5094-001	2,296,959	7/1/17-6/30/18			2,296,959	(2,296,959)							2,296,959	
Medical (Nonbudgeted)	18-495-034-5094-001	3,886	7/1/17-6/30/18			3,886	(3,886)							3,886	
On-Behalf TPAF Pension & Annuity	18-495-034-5094-001	3,886	7/1/17-6/30/18			3,886	(3,886)							3,886	
Fund Non-Contributory Insurance	18-495-034-5094-001	3,886	7/1/17-6/30/18			3,886	(3,886)							3,886	
Reimbursed TPAF Social Security	18-495-034-5094-001	3,886	7/1/17-6/30/18			3,886	(3,886)							3,886	
Reimbursed TPAF Social Security	17-495-034-5094-003	1,824,777	7/1/16-6/30/17	(171,334)		171,334									
Contributions (Nonbudgeted)	18-495-034-5094-003	1,776,087	7/1/17-6/30/18			1,687,341	(1,776,087)			(88,746)				1,776,087	
Contributions (Nonbudgeted)	18-495-034-5094-003	1,776,087	7/1/17-6/30/18			1,687,341	(1,776,087)							1,776,087	
Total General Funds				(990,133)		46,985,211	(46,977,409)			(982,331)			(3,791,938)	46,977,409	
Special Revenue Funds:															
Preschool Education	17-495-034-5120-086	1,123,812	7/1/16-6/30/17	78,631	(78,631)										
Preschool Education	18-495-034-5120-086	2,583,089	7/1/17-6/30/18			2,583,089	(1,844,041)				817,679	1,562		1,844,041	
Green Technology	15-AC85-G06	6,000	2/1/14-1/31/15	1,562											
NI Nonpublic Aid:															
Security	17-100-034-5120-509	7,600	7/1/16-6/30/17	720					(720)						
Security	18-100-034-5120-509	11,025	7/1/17-6/30/18			11,025	(9,116)					1,909		9,116	
Speech	17-100-034-5120-068	19,437	7/1/16-6/30/17	1,414					(1,414)						
Speech	18-100-034-5120-068	24,106	7/1/17-6/30/18			24,106	(13,124)					10,982		13,124	
Examination & Classification	17-100-034-5120-068	17,654	7/1/16-6/30/17	1,622					(1,622)						
Examination & Classification	18-100-034-5120-068	22,208	7/1/17-6/30/18			22,208	(21,844)					364		21,844	
Compensatory Education	17-100-034-5120-067	64,498	7/1/16-6/30/17	269					(269)						
Compensatory Education	18-100-034-5120-067	73,525	7/1/17-6/30/18			73,525	(54,300)					19,225		54,300	
Textbook Aid	17-100-034-5120-064	8,762	7/1/16-6/30/17	632					(632)						
Textbook Aid	18-100-034-5120-064	8,053	7/1/17-6/30/18			8,053	(6,393)					1,660		6,393	
Nursing Aid	18-100-034-5120-070	14,259	7/1/17-6/30/18			14,259	(14,259)							14,259	
Technology Initiative	17-100-034-5120-068	3,952	7/1/16-6/30/17	565					(565)						
Technology Initiative	18-100-034-5120-068	5,439	7/1/17-6/30/18			5,439	(2,294)					3,145		2,294	
ESL	17-100-034-5120-067	8,222	7/1/16-6/30/17	4,568					(4,568)						
ESL	18-100-034-5120-067	4,517	7/1/17-6/30/18			4,517						4,517		4,517	
Supplementary Instruction	17-100-034-5120-068	14,125	7/1/16-6/30/17	2,119					(2,119)						
Supplementary Instruction	18-100-034-5120-068	15,462	7/1/17-6/30/18			15,462	(10,625)					4,837		10,625	
Home Instruction	18-100-034-5120-068	725	7/1/17-6/30/18				(725)								
Total Special Revenue Funds				92,102		2,761,683	(1,976,721)		(11,909)		817,679	48,201		1,975,996	

WILINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE 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	BALANCE AT JUNE 30, 2017	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2018	UNEARNED REVENUE/ INTERFUND PAYABLE AT JUNE 30, 2018	DUE TO GRANTOR JUNE 30, 2018	MEMO BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Agriculture:													
Enterprise Fund:													
National School Lunch Program	17-100-010-3350-023	22,688	7/1/16-6/30/17	(1,967)	1,967								
National School Lunch Program	18-100-010-3350-023	23,567	7/1/17-6/30/18		18,167	(23,567)			(5,400)				23,567
Total Enterprise Funds				(1,967)	20,134	(23,567)			(5,400)				23,567
Total State Financial Assistance				(\$899,998)	49,767,028	(48,977,697)		(11,909)	(988,456)	817,679	48,201	(3,791,938)	48,976,972
Less:													
						(3,556,332)							
						(2,296,959)							
						(3,886)							
Total for State Financial Assistance - Major Program Determination						(\$43,120,520)							

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2018**

Note 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, Willingboro Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 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 basis 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 U.S. Code of Federal Regulations Part 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and *Audits of States, Local Governments, and Non-profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 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 payment in the current budget year, which is mandated pursuant to *N.J.S.A.18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A.18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(177,020) for the general fund and \$-0- for the special revenue fund. See Note 1 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 page:

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2018**

	Federal	State	Total
General Fund	\$ 135,685	46,821,707	\$46,957,392
Special Revenue Fund	2,296,099	1,976,721	4,272,820
Food Service Fund	1,748,389	23,567	1,771,956
	<hr/>		
Total Financial Assistance	\$ 4,180,173	48,821,995	\$53,002,168

Note 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.

Note 5. Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension and Post-Retirement Medical Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2018.

Note 6. Federal and State Loans Outstanding

The Willingboro Township Board of Education had no loan balances outstanding at June 30, 2018.

Note 7. Major Programs

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

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & 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
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to basic financial Statements noted?	Yes

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	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 2 CFR 200 section .516(a) of?	Yes

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I
84.027	IDEA - B

Dollar threshold used to distinguish between Type A Programs:	\$750,000
Auditee qualified as low-risk auditee?	No

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

Section I — Summary of Auditor's Results (continued):

State Awards

Dollar threshold used to distinguish between type A Type Programs:	\$1,293,616
Auditee qualified as low-risk auditee?	No
Type of auditor's report issued on compliance for major programs:	<u>Modified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	Yes
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable?	Yes

Identification of major programs:

GMIS Number(s)	Name of State Program
18-495-034-5120-078	Equalization Aid
18-495-034-5120-014	Transportation Aid
18-495-034-5120-089	Special Education Aid
18-495-034-5120-086	Preschool Education

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

Section II — Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Uniform Guidance audit.

Finding 2018-01:

Criteria:

Approved budgetary line accounts should not be over-expended.

Condition:

Fifteen budgetary line accounts were over-expended.

Effect:

A total over-expenditure of \$179,818 occurred for the fifteen budgetary line accounts.

Cause:

Oversight of district personnel.

Recommendation:

Approved budgetary line accounts should not be over-expended. All year to date expenditures must be posted timely along with executing approved budget transfers in order to cover such costs in order to be in compliance with N.J.A.C. 6A:23A-16.10.

Views of responsible officials and planned corrective action:

Management concurs with the finding.

Finding 2018-02:

Criteria:

Management is required to establish and maintain effective internal controls that will allow management or employees, in the normal course of performing their assigned function, to prevent, or detect and correct misstatements on a timely basis. Also, in accordance with N.J.A.C. 6A:23A-16.1, all districts are required to have a properly maintained general ledger.

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

Section II — Financial Statement Findings (continued):

Condition:

The District did not adhere to its internal control procedures that are designed to reconcile the general ledger with other subsidiary records as required by N.J.A.C. 6A:23A-16.1.

Effect:

Without a properly maintained general ledger system, the immediate and current identification of assets, liabilities, revenues, expenditures and net position cannot be achieved. The number of and material amount of audit adjustments required to correct the general ledger indicates ineffective controls over the preparation of financial statements and as a result, there's a significant likelihood that the District's controls are not effective in detecting material misstatements in the preparation of the financial statements and related disclosures in a timely manner.

Cause:

These errors are a result of a breakdown in the internal controls over the District's general ledger.

Recommendation:

The District should review their internal controls over the general ledger to ensure compliance with N.J.A.C. 6A:23A-16.1.

Views of responsible officials and planned corrective action:

Management concurs with the finding.

Finding 2018-03:

Criteria:

All additions toward capitals assets should be updated accurately as part of the District's capital asset records.

Condition:

The District's fixed asset ledger is not being properly reconciled to the District's financial statements. \$859,361 of fixed assets purchased during the 2016/2017 and 2017/2018 school years have not been recorded in the District's fixed asset ledger.

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

Section II — Financial Statement Findings (continued):

Effect:

The capital asset records were not maintained accurately for the year.

Cause:

Oversight of district personnel.

Recommendation:

That the District's fixed asset ledger be updated to properly reflect the District's assets, and procedures be established to properly maintain the fixed assets ledger in future years.

Views of Responsible Officials and Planned Corrective Action:

Management concurs with the finding.

Section III — Federal Awards & State Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey OMB's Circular Letter 15-08, as applicable.

Federal Awards

N/A

State Awards

Findings 2018-01, 2018-02 and 2018-03 are part of this section. Please refer to Section II for details.

Findings 2017-01, 2017-02 and 2017-04 are part of this section. Please refer to Section II for details.

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (.511(a)(b)) and New Jersey OMB's Circular 04-04 and/or 15-08, as applicable.

Status of Prior Year Findings:

Finding 2017-01:

Condition:

The following issues were noted during the testing of the district's health benefit coverage:

- It was noted while testing the district's medical prescription coverage that the district paid premiums for five (5) individuals that were no longer employees of the district.
- While testing the district's dental coverage the district paid premiums for seven (7) individuals where five (5) were not employees of the district and two (2) opted out of the dental coverage plan. Also, ten (10) employees that received dental coverage did not pay for such coverage.
- While testing the district's State medical health coverage seven (7) employees that received medical health coverage did not pay for such coverage.

Current Status:

This condition has been corrected.

Finding 2017-02:

Condition:

Five budgetary line accounts were over-expended.

Current Status:

This condition has not been corrected. Refer to Finding 2018-01.

Finding 2017-03:

Condition:

One employee who was charged to the Title I Grant did not submit the required monthly activity reports for two months.

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Status of Prior Year Findings (Continued):

Current Status:

This condition has been corrected.

Finding 2017-04:

Condition:

The following issues were noted during the testing of the district's ASSA report.

- It was noted during the sample test of on-roll eligible regular students that six (6) students were not reported on the ASSA report but were listed on the District's school register. Also, there were forty-six (46) students not reported on the ASSA report as compared to the District's school register.
- It was noted during the sample test of private school handicapped that one student's IEP was not available for audit review in order to verify the student's eligibility to be counted on the ASSA report. Also, there were ten (10) students not reported on the ASSA report as compared to the District's workpapers.
- It was noted during the test of on-roll Low Income students that the ASSA report listed one-hundred and six (156) more students as compared to the District's workpapers.
- It was noted during the test of on-roll eligible LEP - Low Income students that the ASSA report listed five (5) more students as compared to the District's workpapers.
- It was noted during the test of on-roll eligible LEP - Not Low Income students that the ASSA report listed four (4) more students as compared to the District's workpapers.

Current Status:

This condition has been corrected.

Page Intentionally Left Blank