

**SCHOOL DISTRICT  
OF**

# **BARRINGTON**

**Barrington Board of Education  
Barrington, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2019**

**Comprehensive Annual  
Financial Report**

**of the**

**Barrington Board of Education**

**Barrington, New Jersey**

**For the Fiscal Year Ended June 30, 2019**

**Prepared by  
Barrington Board of Education  
Finance Department**

# BARRINGTON SCHOOL DISTRICT

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## **Introductory Section**

*Barrington School District*

*311 Reading Avenue*

*Barrington, NJ 08007*

*(856) 547-8467*

*(856) 547-5533 (fax)*

*Anthony Arcodia*  
*Superintendent*

*Samuel Dutkin*  
*School Business Administrator/  
Board Secretary*

November 8, 2019

Honorable President and  
Members of the Board of Education  
Barrington School District  
County of Camden, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Barrington School District for the fiscal year ended June 30, 2019, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The CAFR is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officers. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (Uniform Guidance), and State of New Jersey Circular OMB15-08. 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:** Barrington School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Barrington Board of Education and all its schools constitute the District's reporting entity.

The District provides the following services:

- K-8 regular education
- Remedial services for at-risk students
- Special Education programs and related services as indicated in the Individual Education Plan (IEP) and required by N.J.A.C. 6:14, including a Preschool Disabilities Program
- Participation in the National School Lunch Program
- Transportation services, both public and nonpublic
- Tuition for the students who choose to attend Haddon Heights High School for grades 9-12.

2. **ECONOMIC CONDITION AND OUTLOOK:** The Barrington area is experiencing little change in demographics. Ratables have decreased. The community continues to benefit from grant programs for economic redevelopment of the downtown landscape.
3. **MAJOR INITIATIVES.** The administration continues to incorporate the common core standards into the educational programs, and to enhance technology use across content areas. Efforts are also being implemented to enhance school/community communications through the use of technology.
4. **INTERNAL ACCOUNTING CONTROLS.** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. **BUDGETARY CONTROLS:** In addition to internal 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. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2019.
6. **ACCOUNTING SYSTEM AND REPORTS:** 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 1.
7. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by a state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law 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.

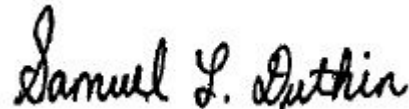


8. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Board also carried Builders Risk coverage for the facility expansion and renovation projects.
9. **OTHER INFORMATION: Independent Audit –** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso and Stewart, LLC was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of of Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (Uniform Guidance), and State of New Jersey OMB 15-08. The auditor's report on the general purpose 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.
10. **ACKNOWLEDGMENTS:** We would like to once again express our appreciation to the members of the Barrington School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



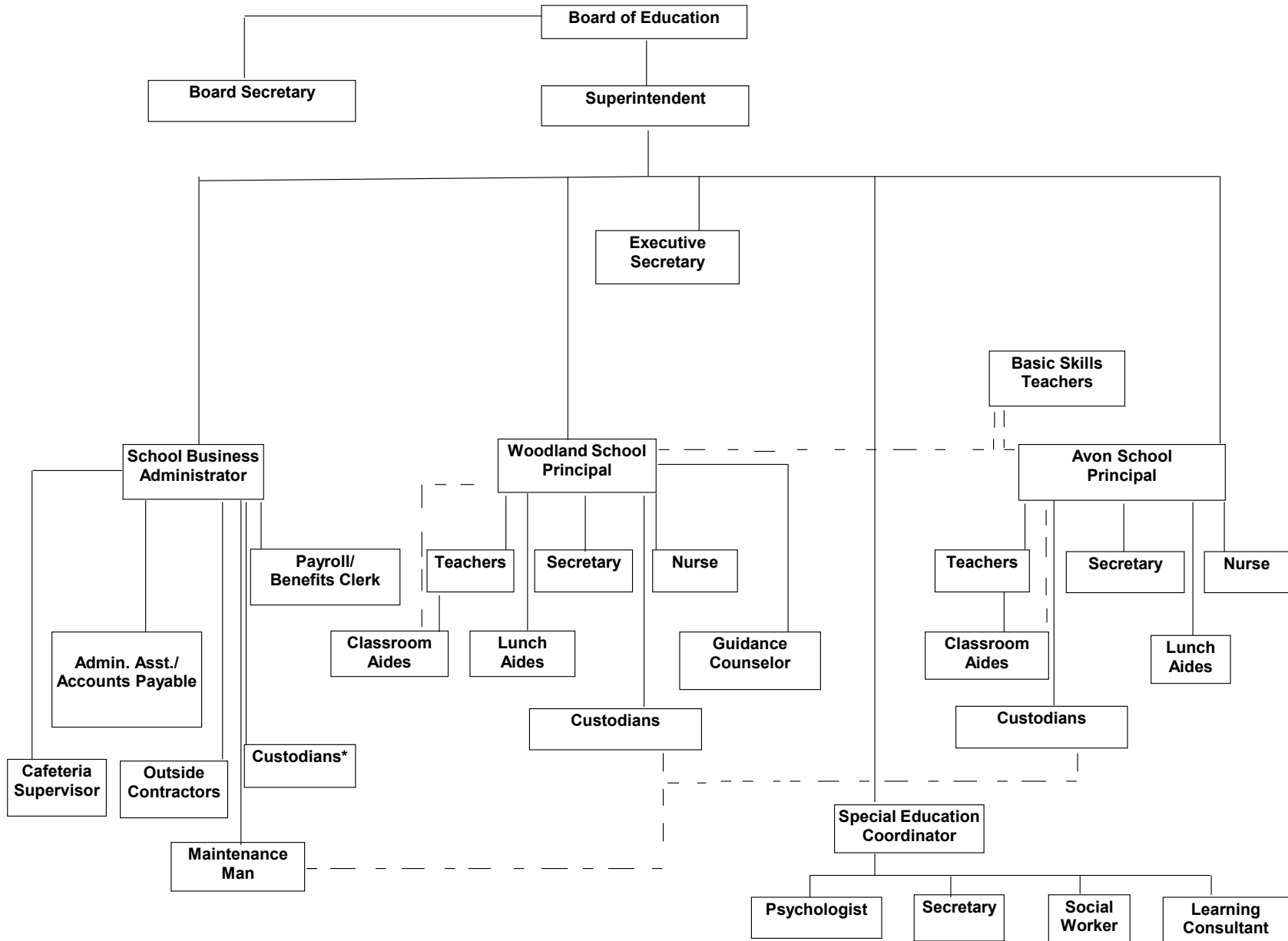
Anthony Arcodia  
Superintendent of Schools



Samuel Dutkin  
School Business Administrator/  
Board Secretary

# BARRINGTON BOARD OF EDUCATION

## Organizational Chart (Unit Control)



\*Summer

# BARRINGTON SCHOOL DISTRICT

## Roster of Officials June 30, 2019

### Members of the Board of Education:

### Term Expires

Michael Drumm, President	2021
Carla Bolling, Vice President	2019
Sherry Chin-Glaser	2021
Mark Correa	2021
Robert Klopp	2019
Kelli Martone	2020
Holly McCauley	2019
Martin Schoettler, Jr.	2020
Jennifer Schuster	2020

### Other Officials:

Anthony Arcodia, Superintendent  
Samuel Dutkin, Business Administrator / Board Secretary  
Mary E. Bakey, Treasurer  
Mark G. Toscano, Esq., Solicitor, Comegno Law Group

**BARRINGTON SCHOOL DISTRICT  
Consultants and Advisors**

**Audit Firm**

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

**Attorney**

Mark G. Toscano, Esquire  
521 Pleasant Valley Avenue  
Moorestown, NJ 08057

**Broker of Record**

Hardenbergh Insurance Group  
8000 Sagemore Drive  
Suite 8101  
Marlton, NJ 08053

**Official Depository**

BB&T Bank  
305 White Horse Pike  
Lawnside, NJ 08045

**Financial Section**

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Barrington School District  
County of Camden  
Barrington, New Jersey

***Report on the Financial Statements***

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Barrington School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinions***

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Barrington School District, in the County of Camden, State of New Jersey, as of June 30, 2019, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, and schedule of the School District's contributions, schedule of the State's proportionate share of the net OPEB liability associated with the School District and changes in the total OPEB liability and related ratios as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Barrington School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section, are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedule of state financial assistance, as required by State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, I have also issued my report dated November 8, 2019 on my consideration of the Barrington School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Barrington School District's internal control over financial reporting and compliance.

***INVERSO & STEWART, LLC***

Certified Public Accountants



Robert P. Inverso

Certified Public Accountant

Public School Accountant No. CS001095

Marlton, New Jersey  
November 8, 2019



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

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
 of the Board of Education  
 Barrington School District  
 County of Camden  
 Barrington, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Barrington School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated November 8, 2019.

***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

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



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

Marlton, New Jersey  
November 8, 2019

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Barrington School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2019**

As management of the Board of Education of the Barrington, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$430,319 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$2,498,671. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, accrued interest payable, and the June state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased by \$183,192, or an 74.13% increase from the prior fiscal year-end balance. The majority of this increase is attributable to the operations in the governmental funds.
- Fund balance of the School District's governmental funds increased by \$30,886 resulting in an ending fund balance of \$2,374,110. This increase is primarily attributable to the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$39,154 which may be used for the operation of the School District's enterprise-related activities (Food Services Program).
- The School District's long-term obligations decreased by \$771,717 which is the reduction of general obligation bonds, pension liability, capital leases and compensated absences.

**Overview of the Basic Financial Statements**

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

**District-wide Financial Statements**

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

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

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

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

### **Fund Financial Statements**

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

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

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

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

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

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

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

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

## Notes to the Basic Financial Statements

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

### Other Information

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

### District-wide Financial Analysis

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

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

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued interest expense on long-term debt, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2020. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2020.

The assets of the primary government activities exceeded liabilities by \$361,912 with a deficit unrestricted balance of \$2,498,671. As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, capital leases payable, accrued interest payable, the June state aid payment, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

The net position of the primary government does not include internal balances.

A net investment of \$480,998 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's students, accounts for 132.90% of the total net position of the District.

Net position of \$2,379,585 has been restricted as follows:

Designated for the 2019/20 budget	\$ 237,401
Year End Encumbrances	61,107
Tuition Reserve	680,000
Emergency Reserve	135,193
Maintenance Reserve	320,229
Capital projects	<u>945,655</u>
	<u>\$ 2,379,585</u>

**Barrington School District  
Comparative Summary of Net Position  
As of June 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		District-Wide	
	2019	2018	2019	2018	2019	2018
<b>ASSETS</b>						
Current assets	\$ 2,421,713	\$ 2,478,319	\$ 42,289	\$ 56,182	\$ 2,464,002	\$ 2,534,501
Capital assets	4,217,068	4,423,119	29,253	31,034	4,246,321	4,454,153
<b>Total assets</b>	<b>6,638,781</b>	<b>6,901,438</b>	<b>71,542</b>	<b>87,216</b>	<b>6,710,323</b>	<b>6,988,654</b>
Deferred Outflows of Resources	527,367	737,872			527,367	737,872
<b>LIABILITIES</b>						
Current liabilities	509,006	593,288	3,135	8,482	512,141	601,770
Noncurrent liabilities	5,608,977	6,382,875			5,608,977	6,382,875
<b>Total liabilities</b>	<b>6,117,983</b>	<b>6,976,163</b>	<b>3,135</b>	<b>8,482</b>	<b>6,121,118</b>	<b>6,984,645</b>
Deferred Inflows of Resources	686,253	494,754			686,253	494,754
<b>Net Position</b>	<b>\$ 361,912</b>	<b>\$ 168,393</b>	<b>\$ 68,407</b>	<b>\$ 78,734</b>	<b>\$ 430,319</b>	<b>\$ 247,127</b>
Net Position Consists of:						
Net investment in						
Capital Assets	\$ 480,998	\$ 201,685	\$ 29,253	\$ 31,034	\$ 510,251	\$ 232,719
Restricted Assets	2,379,585	2,329,980			2,379,585	2,329,980
Unrestricted Assets	(2,498,671)	(2,363,272)	39,154	47,700	(2,459,517)	(2,315,572)
<b>Net Position</b>	<b>\$ 361,912</b>	<b>\$ 168,393</b>	<b>\$ 68,407</b>	<b>\$ 78,734</b>	<b>\$ 430,319</b>	<b>\$ 247,127</b>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$193,519 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Depreciation expense of \$522,087.
- Results of Operations in the General Fund of \$30,886.
- Payment of Bond and Capital Lease Principal of \$294,926.

**Business-type Activities**

Business-type activities decreased the School District's net position by \$10,327. Key elements of the increase in net position for business-type activities are as follows:

- The food service fund had a net loss of \$10,327.

**Barrington School District  
Comparative Schedule of Changes in Net Position  
As of and for the Fiscal Year Ended June 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		District-Wide	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
Program Revenue						
Charges for services	\$ 196,111	\$ 145,701	\$ 108,138	\$ 122,111	\$ 304,249	\$ 267,812
Operating grants and contributions	4,744,757	5,560,339	88,229	92,283	4,832,986	5,652,622
General Revenue						
Property taxes	10,748,778	10,500,846			10,748,778	10,500,846
State aid - unrestricted	3,477,216	3,412,084			3,477,216	3,412,084
Other revenues	2,417	24,804	20	23	2,437	24,827
<b>Total Revenues</b>	<b>19,169,279</b>	<b>19,643,774</b>	<b>196,387</b>	<b>214,417</b>	<b>19,365,666</b>	<b>19,858,191</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	5,178,042	5,584,761			5,178,042	5,584,761
Tuition	3,805,316	3,277,077			3,805,316	3,277,077
Related services	1,194,350	1,197,322			1,194,350	1,197,322
Administrative services	776,446	794,036			776,446	794,036
Operations and Maintenance	1,055,913	1,179,150			1,055,913	1,179,150
Transportation	451,280	466,314			451,280	466,314
Interest on debt	155,012	163,225			155,012	163,225
Other	104,417	89,956			104,417	89,956
Transfer to Charter Schools					-	-
Employee Benefits	6,254,984	6,882,697			6,254,984	6,882,697
<b>Business-Type Activities:</b>						
Food Service			206,714	205,137	206,714	205,137
<b>Total Expenses</b>	<b>18,975,760</b>	<b>19,634,538</b>	<b>206,714</b>	<b>205,137</b>	<b>19,182,474</b>	<b>19,839,675</b>
Increase (Decrease) in Net Position before transfers	193,519	9,236	(10,327)	9,280	183,192	18,516
Transfers						
<b>Change in Net Position</b>	<b>193,519</b>	<b>9,236</b>	<b>(10,327)</b>	<b>9,280</b>	<b>183,192</b>	<b>18,516</b>
Net Position, July 1	168,393	159,157	78,734	69,454	247,127	228,611
<b>Net Position, June 30</b>	<b>\$ 361,912</b>	<b>\$ 168,393</b>	<b>\$ 68,407</b>	<b>\$ 78,734</b>	<b>\$ 430,319</b>	<b>\$ 247,127</b>

**Financial Analysis of the Governmental Funds**

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

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

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$2,374,110, an increase of \$30,886 in comparison with the prior year. The increase can be attributed to the results of operations in the general fund.



The unassigned general fund balance at the end of the fiscal year is (\$5,475). The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been committed as follows: 1) restricted cash reserved for future capital outlay expenditures \$945,655, 2) appropriated as a revenue source in the subsequent year's budget \$237,401, 3) reserved for year end encumbrances \$61,107 4) reserved for tuition \$680,000, 5) reserved for emergency \$135,193, or 6) reserved for future maintenance projects \$320,229.

The general fund is the chief operating fund of the School District. As discussed earlier, the minimal fund balance is due, primarily, to the accounting treatment of the June state aid payments as discussed in the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

Revenue is generally recognized at the time that the outlays are identified; therefore no fund balances are normally generated in the special revenue fund.

### **General Fund Budgetary Highlights**

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$328,899, while total fund balance (budgetary basis) was \$2,708,484. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$15,652,796. Unassigned fund balance (budgetary basis) represents 2.10% of expenditures while total fund balance (budgetary basis) represents 17.30% of that same amount.

### **Capital Asset and Debt Administration**

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2019, totaled \$4,246,321 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$207,832, or an 4.67% decrease.

Major capital assets events during the current fiscal year included the following:

- Depreciation expense for the current fiscal year was \$523,864
- Capital Additions totaling \$316,032

**Barrington School District  
Capital Asset (net of accumulated depreciation)  
June 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		District-Wide	
	2019	2018	2019	2018	2019	2018
Land	\$ 133,067	\$ 133,067			\$ 133,067	\$ 133,067
Const. in Progress					-	-
Site Improvements	25,593	30,427			25,593	30,427
Building and Building Improvements	3,971,735	4,172,083			3,971,735	4,172,083
Equipment	86,673	87,542	\$ 29,253	\$ 31,034	115,926	118,576
<b>Total</b>	<b>\$ 4,217,068</b>	<b>\$ 4,423,119</b>	<b>\$ 29,253</b>	<b>\$ 31,034</b>	<b>\$ 4,246,321</b>	<b>\$ 4,454,153</b>

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

**Long-term debt** – During the fiscal year ended June 30, 2019, the School District had total bonded debt outstanding of \$3,715,000 backed by the full faith and credit of the School District. In addition, the School District has outstanding lease obligations in the amount of \$21,070 and future compensated absences of \$75,594.

General obligation bonds for the School District decreased during the current fiscal year according to the normal schedule of payments.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$15,701,246 and the legal debt margin was \$11,986,246.

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

**Economic Factors and Next Year’s Budgets and Rates**

The following factors were considered and incorporated into the preparation of the School District’s budget for the 2019-2020 fiscal year.

- For the 2019-20 fiscal year the School District will be receiving a \$35,435 increase in state aid. The local tax levy in the General Fund increased \$206,133 over the previous year. Salaries continue to increase contractually; however, the District has managed to control costs. The 2019-20 General Fund Budget is \$92,358 greater than the previous year or a 0.62% increase.

**Requests for Information**

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Barrington School District Business Administrator, 311 Reading Avenue, Barrington, New Jersey, 08007, telephone number (856) 547-8648.

## Basic Financial Statements

District-Wide Financial Statements

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2019**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 740,955	\$ 30,465	\$ 771,420
Receivables, net	414,874	4,488	419,362
Inventory		7,336	7,336
Restricted assets:			
Restricted cash and cash equivalents	1,265,884		1,265,884
Capital assets, net (Note 5)	4,217,068	29,253	4,246,321
Total Assets	6,638,781	71,542	6,710,323
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	527,367		527,367
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	7,166,148	71,542	7,237,690
<b>LIABILITIES:</b>			
Accounts Payable			
Related to pensions	101,614		101,614
Other	27,712		27,712
Intergovernmental Payable			
State	19,891		19,891
Unearned Revenue		3,135	3,135
Other liability			
Accrued Interest Payable	37,150		37,150
Noncurrent Liabilities:			
Due within one year	322,639		322,639
Due beyond one year	5,608,977		5,608,977
Total Liabilities	6,117,983	3,135	6,121,118
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of resources from pensions	686,253		686,253
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	6,804,236	3,135	6,807,371
<b>NET POSITION:</b>			
Net Investment in Capital Assets	480,998	29,253	510,251
Restricted for:			
Capital Projects	945,655		945,655
Debt Service			
Other Purposes	1,433,930		1,433,930
Unrestricted (Deficit)	(2,498,671)	39,154	(2,459,517)
Total Net Position	\$ 361,912	\$ 68,407	\$ 430,319

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 3,336,081	\$ 196,111	\$ 133,318	\$ -	\$ (3,006,652)	\$ -	\$ (3,006,652)
Special Education	1,719,508		212,648		(1,506,860)		(1,506,860)
Other instruction	122,453				(122,453)		(122,453)
Support Services:							
Tuition	3,805,316				(3,805,316)		(3,805,316)
Student & instruction related services	1,194,350				(1,194,350)		(1,194,350)
General administrative services	298,012				(298,012)		(298,012)
School administrative services	192,509				(192,509)		(192,509)
Central services	285,925				(285,925)		(285,925)
Plant operations and maintenance	1,055,913				(1,055,913)		(1,055,913)
Pupil transportation	451,280				(451,280)		(451,280)
Unallocated benefits	6,254,984		4,398,791		(1,856,193)		(1,856,193)
Interest on long-term debt	155,012				(155,012)		(155,012)
Transfer to charter school							
Unallocated depreciation and amortization	104,417				(104,417)		(104,417)
Total Governmental Activities	<u>18,975,760</u>	<u>196,111</u>	<u>4,744,757</u>		<u>(14,034,892)</u>		<u>(14,034,892)</u>
Business-Type Activities:							
Food service	206,714	108,138	88,229			(10,347)	(10,347)
Total Business-Type Activities	<u>206,714</u>	<u>108,138</u>	<u>88,229</u>			<u>(10,347)</u>	<u>(10,347)</u>
Total Primary Government	<u>\$ 19,182,474</u>	<u>\$ 304,249</u>	<u>\$ 4,832,986</u>	<u>\$ -</u>	<u>(14,034,892)</u>	<u>(10,347)</u>	<u>(14,045,239)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					10,306,628		10,306,628
Taxes levied for debt service					442,150		442,150
Federal and State aid not restricted					3,477,216		3,477,216
Investment Earnings					220	20	240
Miscellaneous Income					2,197		2,197
Total general revenues, special items, extraordinary items and transfers					<u>14,228,411</u>	<u>20</u>	<u>14,228,431</u>
Change in Net Position					193,519	(10,327)	183,192
Net Position - July 1, 2018					168,393	78,734	247,127
Net Position - June 30, 2019					<u>\$ 361,912</u>	<u>\$ 68,407</u>	<u>\$ 430,319</u>

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

Fund Financial Statements

**BARRINGTON SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2019**

<b>ASSETS</b>	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 549,005	\$ -	\$ 191,950	\$ -	\$ 740,955
Receivables, net					
State aid	80,042				80,042
Federal aid		145,374			145,374
Other accounts receivable	70,644				70,644
Interfund	419,054	10,519			429,573
Restricted assets:					
Cash and cash equivalents	1,265,884				1,265,884
<b>Total Assets</b>	<b>\$ 2,384,629</b>	<b>\$ 155,893</b>	<b>\$ 191,950</b>	<b>\$ -</b>	<b>\$ 2,732,472</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable		27,712			27,712
Interfund payable	10,519	108,290	191,950		310,759
Intergovernmental payable:					
State		19,891			19,891
<b>Total Liabilities</b>	<b>10,519</b>	<b>155,893</b>	<b>191,950</b>		<b>358,362</b>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Capital reserve	945,655				945,655
Maintenance reserve	320,229				320,229
Tuition reserve - current year	340,000				340,000
Tuition reserve - prior year	340,000				340,000
Emergency reserve	135,193				135,193
<b>Assigned to:</b>					
Year-end encumbrances	61,107				61,107
Subsequent year's budget	237,401				237,401
Unassigned	(5,475)				(5,475)
<b>Total Fund Balances</b>	<b>2,374,110</b>				<b>2,374,110</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,384,629</b>	<b>\$ 155,893</b>	<b>\$ 191,950</b>	<b>\$ -</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$12,484,993 and the accumulated depreciation is \$8,267,925.	4,217,068
Bond issuance premiums are recorded as revenue in the Governmental Funds in the year of receipt. The premiums are amortized over the life of the issued bonds.	(173,126)
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds.	(37,150)
Accounts payable related to the April 1, 2020 required PERS contribution that is not to be liquidated with current financial resources.	(101,614)
The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:	
Deferred Outflows of resources from Pensions	\$ 527,367
Net Pension Liability	(1,946,826)
Deferred Inflows of resources from Pensions	(686,253)
	(2,105,712)
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:	
General Obligation Bonds	(3,715,000)
Compensated Absences Payable	(75,594)
Capital Leases Payable	(21,070)
	(3,811,664)
<b>Net position of governmental activities</b>	<b>\$ 361,912</b>

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



**BARRINGTON SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2019**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 10,306,628	\$ -	\$ -	\$ 442,150	\$ 10,748,778
Tuition	196,111				196,111
Interest earned	220				220
Miscellaneous	2,197				2,197
Total local sources	10,505,156			442,150	10,947,306
State sources	5,178,526	40,199			5,218,725
Federal sources		326,656			326,656
Total Revenues	<u>15,683,682</u>	<u>366,855</u>	<u>-</u>	<u>442,150</u>	<u>16,492,687</u>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	2,943,590	133,318			3,076,908
Special education instruction	1,506,860	212,648			1,719,508
Other instruction	122,453				122,453
Support services and undistributed costs:					
Tuition	3,805,316				3,805,316
Student & instruction related services	1,194,350				1,194,350
General administrative services	271,908				271,908
School administrative services	192,509				192,509
Central services	171,788				171,788
Administrative information technology	88,032				88,032
Plant operations and maintenance	784,930				784,930
Pupil transportation	451,280				451,280
Unallocated employee benefits	3,522,835	20,889			3,543,724
Capital outlay	596,945				596,945
Debt service:					
Principal				285,000	285,000
Interest and other charges				157,150	157,150
Total Expenditures	<u>15,652,796</u>	<u>366,855</u>	<u>-</u>	<u>442,150</u>	<u>16,461,801</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>30,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,886</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in					-
Transfers out					-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	30,886	-	-	-	30,886
Fund Balances - July 1, 2018	<u>2,343,224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,343,224</u>
Fund Balances - June 30, 2019	<u>\$ 2,374,110</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,374,110</u>

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

**BARRINGTON SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2019**

Total Net Change in Fund Balances - Governmental Funds (from B-2)	\$	30,886
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Governmental Funds report capital outlays 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 current period.</p>		
Depreciation expense	\$ (522,087)	
Capital Outlay Additions	<u>316,036</u>	(206,051)
Repayment of long-term debt 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.		285,000
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 reported in the statement of activities.		9,926
Bond Premium arising from the issuance of the refunding school bonds is recorded as a deferred inflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of amortization.		17,312
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		(34,668)
Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.		2,138
In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>88,976</u>
Change in net position of Governmental Activities	\$	<u>193,519</u>

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2019**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service Fund</b>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 30,465
Intergovernmental receivables:	
State	103
Federal	4,385
Inventories	7,336
Total current assets	42,289
Noncurrent assets:	
Machinery and equipment (net of accumulated depreciation)	29,253
Total noncurrent assets	29,253
Total Assets	\$ 71,542
<b>LIABILITIES:</b>	
Current liabilities:	
Accounts Payable	\$ -
Unearned Revenue	3,135
Total current liabilities	3,135
<b>NET POSITION:</b>	
Net investment in capital assets	29,253
Unrestricted	39,154
Total Net Position	\$ 68,407

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2019**

	<u>Business-Type Activities Enterprise Funds</u>
	<u>Food Service Fund</u>
<b>Operating Revenues:</b>	
Charges for Services:	
Daily sales:	
Reimbursable programs	\$ 55,853
Non-reimbursable programs	<u>52,285</u>
Total Operating Revenue	<u>108,138</u>
<b>Operating Expenses:</b>	
Salaries	86,331
Employee benefits	4,211
Supplies and materials	5,376
Management fee	17,490
Other costs	22,157
Depreciation	1,777
Cost of Sales - reimbursable programs	49,631
Cost of Sales - non-reimbursable programs	<u>19,741</u>
Total Operating Expenses	<u>206,714</u>
Operating Income (Loss)	<u>(98,576)</u>
<b>Non-Operating Revenues:</b>	
State sources:	
State school lunch program	1,915
Federal sources:	
National school lunch program	62,548
School breakfast program	11,138
Food distribution program	12,628
Local sources:	
Interest earned	<u>20</u>
Total Non-Operating Revenues	<u>88,249</u>
Income (Loss) before Contributions and Transfers	(10,327)
Operating Transfers In	<u>-</u>
Change in Net Position	(10,327)
Net Position - July 1, 2018	<u>78,734</u>
Net Position - June 30, 2019	<u>\$ 68,407</u>

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2019**

	<u>Business-Type Activities Enterprise Funds</u>
	<u>Food Service Fund</u>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 107,358
Cash payments to employees for services	(90,542)
Cash payments to suppliers for goods and services	(106,869)
	(90,053)
<b>Net Cash Provided by (used for) Operating Activities</b>	
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	1,920
Cash received from federal sources	73,206
	75,126
<b>Net Cash Provided by (used for) Noncapital Financing Activities</b>	
<b>Cash Flows Used by Capital and Related Financing Activities:</b>	
Capital asset adjustment from prior year	4
	4
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on Cash Equivalents	20
	20
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	
	(14,903)
Cash and Cash Equivalents - July 1, 2018	45,368
	45,368
Cash and Cash Equivalents - June 30, 2019	\$ 30,465
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:</b>	
Operating Income (Loss)	\$ (98,576)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (used for) Operating Activities:	
Depreciation	1,777
Commodities	12,628
Change in Assets and Liabilities:	
(Increase) Decrease in Inventories	(535)
Increase (Decrease) in Accounts Payables	(4,567)
Increase (Decrease) in Unearned Revenue	(780)
	(780)
<b>Net Cash Provided by (used for) Operating Activities</b>	<b>\$ (90,053)</b>

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2019**

	<b>Trust Funds</b>		
	<b>Unemployment Compensation Trust</b>	<b>Flexible Benefit Trust</b>	<b>Agency Funds</b>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 9,308	\$ 8,009	\$ 131,940
Other Receivable	-	-	239
Total Assets	<u>\$ 9,308</u>	<u>\$ 8,009</u>	<u>\$ 132,179</u>
 <b>LIABILITIES:</b>			
Interfund Payable	\$ -	\$ 1,425	\$ 117,389
Due to Student Groups	-	-	14,790
Total Liabilities	-	1,425	<u>\$ 132,179</u>
 <b>NET Position:</b>			
Held in Trust for Claims	<u>\$ 9,308</u>	<u>\$ 6,584</u>	

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Unemployment Compensation Trust Fund</b>	<b>Flexible Benefits Trust Fund</b>
	<u>                    </u>	<u>                    </u>
<b>ADDITIONS:</b>		
Contributions - employee	\$ 10,337	\$ 13,764
Contributions - other	6,300	-
Interest on Investments	3	-
	<u>                    </u>	<u>                    </u>
Total Additions	<u>16,640</u>	<u>13,764</u>
<b>DEDUCTIONS:</b>		
Claims paid	17,791	10,328
Miscellaneous	11	107
	<u>                    </u>	<u>                    </u>
Total Deductions	<u>17,802</u>	<u>10,435</u>
Change in Net Position	(1,162)	3,329
Net Position - July 1	<u>10,470</u>	<u>3,255</u>
Net Position - June 30	<u><u>\$ 9,308</u></u>	<u><u>\$ 6,584</u></u>

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Barrington School District (“School District”) is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 8. Students in grades 9 through 12, attend, on a tuition basis, the Haddon Heights High School District. The Barrington School District has an approximate enrollment at June 30, 2019 of 593 students.

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

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

**Basis of Presentation**

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

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

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



**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

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

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

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

**General Fund** - The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

**Special Revenue Fund** - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**Capital Projects Fund** - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

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

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

The School District's enterprise funds are:

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

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

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

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

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

**Measurement Focus**

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

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position.

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

**Fund Financial Statements (Continued)** – The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**Basis of Accounting**

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

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

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

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

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

**Budgets/Budgetary Control** - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

**Budgets/Budgetary Control (Continued)** - Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

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

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

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

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

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

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

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

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 2019 and 2018 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

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

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

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

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2019.

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

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

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

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

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

**Capital Assets (Continued)** - Depreciation is computed using the straight-line method over the following useful lives:

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

**Accrued Salaries and Wages** - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned, but undisbursed amounts be retained in a separate bank account.

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

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

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

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

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

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

**Net Position** - Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources.

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

**Net Position (Continued)** Net position is classified into the following three components:

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

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

**Unrestricted** – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

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

**Fund Balance** – The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District’s classifications, and policies for determining such classifications, are as follows:

**Nonspendable** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2019.

**Restricted** – This fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision-making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

**Assigned** – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

**Unassigned** – This fund balance classification is the residual classification for the General Fund. It represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

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

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

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

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Recently Issued Accounting Pronouncements** - In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The adoption of this Statement will not have any effect on the District's financial reporting.

In June 2017, the GASB issued Statement 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The adoption of this Statement may have an effect on the District's financial reporting.

In June 2018, the GASB issued Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The adoption of this Statement will not have any effect on the District's financial reporting.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61*. This Statement is designed to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The adoption of this Statement will not have any effect on the District's financial reporting.



**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

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

**Recently Issued Accounting Pronouncements (Continued)** In May 2019, the GASB issued Statement 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation: establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The adoption of this Statement will not have any effect on the District’s financial reporting.

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District’s amount on deposit of \$2,500,305 as of June 30, 2019, \$250,000 was insured under FDIC and the remaining balance of \$2,250,305 was collateralized under GUDPA.

**3. CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2018 to June 30, 2019 fiscal year is as follow:

Balance – July 1, 2018		\$ 992,190
Increased by:		
Interest earned	\$ 117	
Board resolution	465,000	465,117
		1,457,307
Decreased by:		
Budget withdrawal		511,652
Balance – June 30, 2019		\$ 945,655

The June 30, 2019 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects.

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**4. ACCOUNTS RECEIVABLES**

Accounts receivables at June 30, 2019 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2019 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Intergovernmental				
Local	\$ 70,644	\$ -	\$ -	\$ 70,644
State	80,042	-	103	80,145
Federal	-	145,374	4,385	149,759
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 150,686</u>	<u>\$ 145,374</u>	<u>\$ 4,488</u>	<u>\$ 300,548</u>

**5. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
<b>Governmental Activities:</b>				
Land	\$ 133,067	\$ -	\$ -	\$ 133,067
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	133,067	-	-	133,067
Land Improvements	161,200	-	-	161,200
Building and Improvements	11,279,201	294,286	-	11,573,487
Vehicles	30,000	-	-	30,000
Equipment	565,489	21,750	-	587,239
Total Historical Cost	<u>12,168,957</u>	<u>316,036</u>	<u>-</u>	<u>12,484,993</u>
Less Accumulated Depreciation:				
Land Improvements	(130,773)	(4,834)	-	(135,607)
Building and Improvements	(7,107,118)	(494,634)	-	(7,601,752)
Vehicles	(24,375)	(3,750)	-	(28,125)
Equipment	(483,572)	(18,869)	-	(502,441)
Total Accumulated Depreciation	<u>(7,745,838)</u>	<u>(522,087)</u>	<u>-</u>	<u>(8,267,925)</u>
Governmental Activities Capital Assets, Net	<u>\$ 4,423,119</u>	<u>\$ (206,051)</u>	<u>\$ -</u>	<u>\$ 4,217,068</u>

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**5. CAPITAL ASSETS (Continued)**

	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2019</u>
<b>Business-Type Activities:</b>				
Equipment	\$ 85,893	\$ -	\$ (4)	\$ 85,889
Less - Accumulated Depreciation	(54,859)	(1,777)		(56,636)
Business-Type Activities Capital Assets, Net	<u>\$ 31,034</u>	<u>\$ (1,777)</u>	<u>\$ (4)</u>	<u>\$ 29,253</u>

Depreciation expense in the amount of \$522,087 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 365,461
Central Administration	26,105
General Administration	26,104
Unallocated	<u>104,417</u>
Total depreciation expense	<u>\$ 522,087</u>

**6. INVENTORY**

Inventory in the Food Service Fund at June 30, 2019 consisted of the following:

Food	\$ 5,846
Supplies	<u>1,490</u>
	<u>\$ 7,336</u>

**7. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2019, the following changes occurred in long-term obligations:

	<u>Principal Outstanding June 30, 2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2019</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 164,570	\$ 8,155	\$ 97,131	\$ 75,594	\$ -
Obligations under Capital Leases	30,996	-	9,926	21,070	10,327
Unamortized Bond Premium	190,438	-	17,312	173,126	17,312
General Obligation Bonds	4,000,000	-	285,000	3,715,000	295,000
Net Pension Liability	<u>2,317,329</u>	<u>-</u>	<u>370,503</u>	<u>1,946,826</u>	<u>-</u>
	<u>\$ 6,703,333</u>	<u>\$ 8,155</u>	<u>\$ 779,872</u>	<u>\$ 5,931,616</u>	<u>\$ 322,639</u>

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

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

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

Series 2012 Refunding Bonds dated December 19, 2012 in the amount of \$3,715,000 due in annual installments through April 1, 2029, bearing an interest rate of 4.00%.

As of June 30, 2019, principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 295,000	\$ 148,600	\$ 443,600
2021	315,000	136,800	451,800
2022	325,000	124,200	449,200
2023	345,000	111,200	456,200
2024	370,000	97,400	467,400
2025-2029	<u>2,065,000</u>	<u>251,800</u>	<u>2,316,800</u>
	<u>\$ 3,715,000</u>	<u>\$ 870,000</u>	<u>\$ 4,585,000</u>

As of June 30, 2019, the School District had no authorizations to issue additional bonded debt.

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

**Capital Leases Payable** - The School District has entered into the following capital lease agreement:

<u>Equipment</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Phone System	July 1, 2020	4.02%	\$ 30,996

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2019:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 10,327	\$ 849	\$ 11,176
2021	<u>10,743</u>	<u>432</u>	<u>11,175</u>
	<u>\$ 21,070</u>	<u>\$ 1,281</u>	<u>\$ 22,351</u>

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**8. OPERATING LEASES**

At June 30, 2019, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$16,714 for the fiscal year ended June 30, 2019. The future minimum lease payments for these leases are as follows:

2020	\$	13,923
2021		13,912
2022		13,912
2023		11,278
	\$	53,025

**9. PENSION PLANS**

**Description of Plans** – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

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

*Plan Description* - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

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

The following represents the membership tiers for TPAF:

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

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

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

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A.18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2019. 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.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2019 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2019 was \$677,729 and was paid by April 1, 2019. School District employee contributions to the pension plan during the fiscal year ended June 30, 2019 were \$383,506.

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

At June 30, 2019, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2018, the School District recognized pension expense of \$1,662,746 and revenue of \$1,662,746 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

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

	<u>06/30/18</u>	<u>06/30/17</u>
Collective deferred outflows of resources	\$ 12,473,998,870	\$ 14,160,879,257
Collective deferred inflows of resources	16,180,773,643	11,800,239,661
Collective net pension liability (Nonemployer – State of New Jersey)	63,617,852,031	67,423,605,859
State's portion of the net pension liability that was associated with the School District	28,522,223	30,295,534
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.0448336774%	.0449331258%

*Actuarial assumptions* – The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	2.25%
Salary Increases:	
2011-2026	1.55- 4.55%
Thereafter	2.00 – 5.45%
Investment Rate of Return:	7.00%

Pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, set back 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement mortality rates were based on the RP-2006 Healthy Annuitant Collar Mortality Tables, with adjustments as described in the latest experience study, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Disability mortality rates were based on the RP-2006 Disabled Retiree Mortality Tables with rates adjusted by 90%. No mortality improvement is assumed for disabled retiree mortality.

The actuarial assumptions used in the July 1, 2017 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.

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	05.00%	05.51%
Cash Equivalents	05.50%	01.00%
U.S. Treasuries	03.00%	01.87%
Investment Grade Credit	10.00%	03.78%
High Yield	02.50%	06.82%
Global Diversified Credit	05.00%	07.10%
Credit Oriented Hedge Funds	01.00%	06.60%
Debt Related Private Equity	02.00%	10.63%
Debt Related Real Estate	01.00%	06.61%
Private Real Asset	02.50%	11.83%
Equity Related Real Estate	06.25%	09.23%
U.S. Equity	30.00%	08.19%
Non-U.S. Developed Markets Equity	11.50%	09.00%
Emerging Markets Equity	06.50%	11.64%
Buyouts/Venture Capital	08.25%	13.08%
	100.00%	

*Discount rate.* The discount rate used to measure the State's total pension liability was 4.86% as of June 30, 2018. 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 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be made based on the contribution rate in the most recent fiscal year. The state contributed 50% 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 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.



**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2018, the pension plans measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 4.86%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.25%) or 1 percentage point higher (5.25%) that the current rate

	<b>1% Decrease (3.25%)</b>	<b>Current Discount Rate (4.25%)</b>	<b>1% Increase (5.25%)</b>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	33,712,726	28,522,223	24,219,423
	\$ 33,712,726	\$ 28,522,223	\$ 24,219,423

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

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

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

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

The following represents the membership tiers for PERS:

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

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

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

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012. The member contribution rate was 7.50% in State fiscal year 2019. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 336, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2019 was 13.84% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2018, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2019 was \$98,350 and was paid by April 1, 2019. School District employee contributions to the pension plan during the fiscal year ended June 30, 2019 were \$55,283.

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

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Long Term Disability</u>	<u>Total Liability Paid by District</u>
2019	\$ 12,290	\$ 81,588	\$ 4,472	\$ 97	\$ 98,447
2018	12,138	75,588	4,495	313	92,534
2017	14,064	71,575	4,274	144	90,057

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

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

At June 30, 2019, the School District reported a liability of \$1,946,826 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2019, the School District recognized pension expense of \$133,019. At June 30, 2019, the School District reported a liability of \$1,946,826 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 37,126	\$ 10,038
Changes of assumptions	320,805	622,491
Net Difference between projected and actual earnings on pension plan investments		18,261
Changes in proportion	67,822	35,463
District contributions subsequent to the measurement date	101,614	
<b>Total</b>	<b>\$ 527,367</b>	<b>\$ 686,253</b>

\$101,614 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2019, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net liability in the year ended June 30, 2019.

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

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2020	\$ 14,218
2021	(24,717)
2022	(121,787)
2023	(83,567)
2024	(44,647)
<b>Total</b>	<b>\$ (260,500)</b>

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	5.00
Changes in proportion		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57

**Additional Information**

Collective balances at June 30, 2018 and 2017 are as follows:

	<u>6/30/2018</u>	<u>6/30/2017</u>
Collective deferred outflows of resources	\$ 4,684,852,302	\$ 6,424,455,842
Collective deferred inflows of resources	\$ 7,646,736,226	\$ 5,700,625,981
Collective net pension liability	\$ 19,689,501,539	\$ 23,278,401,588
School District's Proportion	.0098876327%	.0099548442%

*Actuarial assumptions* – The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018.

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

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

- 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%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active employees. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disables Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2017 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, 2018) 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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	05.00%	05.51%
Cash Equivalents	05.50%	01.00%
U.S. Treasuries	03.00%	01.87%
Investment Grade Credit	10.00%	03.78%
High Yield	02.50%	06.82%
Global Diversified Credit	05.00%	07.10%
Credit Oriented Hedge Funds	01.00%	06.60%
Debt Related Private Equity	02.00%	10.63%
Debt Related Real Estate	01.00%	06.61%
Private Real Asset	02.50%	11.83%
Equity Related Real Estate	06.25%	09.23%
U.S. Equity	30.00%	08.19%
Non-U.S. Developed Markets Equity	11.50%	09.00%
Emerging Markets Equity	06.50%	11.64%
Buyouts/Venture Capital	08.25%	13.08%
	<u>100.00%</u>	

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**9. PENSION PLANS (Continued)**

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

*Discount rate.* The discount rate used to measure the State's total pension liability was 5.66% as of June 30, 2018. 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 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The state employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2046, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2018, calculated using the discount rate of 5.66%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.66%) or 1 percentage point higher (6.66%) than the current rate:

	<b>1% Decrease (4.66%)</b>	<b>Current Discount Rate (5.66%)</b>	<b>1% Increase (6.66%)</b>
School District's proportionate share of the net pension liability	\$ 2,447,909	\$ 1,946,826	\$ 1,526,449

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

**Defined Contribution Retirement Program (DCRP)**

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

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

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

<b>Year</b>	<b>Liability</b>	<b>District</b>
2019	\$ 4,418	\$ 4,418
2018	4,938	4,938
2017	4,156	4,156
2016	1,983	1,983

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**Plan Description and Benefits Provided**

The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2018, the State paid PRM benefits for 148,401 State and local retirees.

The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2018, the State contributed \$1.909 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The increase in the State’s pay-as-you-go contribution between Fiscal Year 2017 and Fiscal Year 2018 is attributed to rising health care costs, an increase in the number of participants qualifying for State-paid PRM benefits at retirement and larger fund balance utilization in Fiscal Year 2017 than in Fiscal Year 2018. The Fiscal Year 2019 Appropriations Act includes \$1.921 billion as the State’s contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. As such, the Fiscal Year 2017 total State OPEB liability to provide these benefits has been remeasured to \$97.1 billion, an increase of \$60.6 billion or 166 percent from the previous year’s \$36.5 billion liability booked in accordance with GASB Statement No. 45. For Fiscal Year 2018, the total OPEB liability for the State is \$90.5 billion, a decrease of \$6.6 billion or 7 percent from the remeasured total OPEB liability in Fiscal Year 2017.

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

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

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

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

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

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2011 – June 30, 2014 and July 1, 2010 – June 30, 2013 for TPAF, PFRS, and PERS, respectively.

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage. 100% of active members are considered to participate in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

*Health Care Trend Assumptions* - For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. 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, 2018 and 2016 was 3.87%. This represent the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

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



**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**Changes in the Total Nonemployer OPEB Liability**

The table below summarizes the State's proportionate share of the change in the total nonemployer OPEB liability associated with the School District:

	<u>Total OPEB Liability</u>
Balance as of June 30, 2017	\$ 22,881,868
Changes for the years'	
Service Cost	815,736
Interest	839,336
Changes of benefit terms	
Differences between expected and actual experience	(2,031,052)
Changes in assumptions	(2,264,361)
Gross Benefit Payments	(527,630)
Contributions from the Non-employer	N/A
Contributions from the Member	18,236
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	<u>\$ (3,149,735)</u>
Balance at 06/30/2018	<u>\$ 19,732,133</u>

**Sensitivity of the total nonemployer OPEB liability to changes in the discount rate** - The following presents the total nonemployer OPEB liability as of June 30, 2018, respectively, associated with the School District, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage -point lower or 1percentage-point higher than the current rate:

	<u>1% Decrease (2.87%)</u>	<u>Discount Rate (3.87%)</u>	<u>1% Increase (4.87%)</u>
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 23,327,398	\$ 19,732,133	\$ 16,874,269

**Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate** - The following presents the total nonemployer OPEB liability as of June 30, 2018, associated with the School District, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage -point lower or 1percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 23,872,647	\$ 19,732,133	\$ 16,050,431

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

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

For the year ended June 30, 2019, the School District recognized \$880,827 in OPEB expense and revenue, in the government-wide financial statements, for the State’s proportionate share of the OPEB Plan’s OPEB Expense, associated with the School District. This expense and revenue was based on the OPEB Plan’s June 30, 2018 measurement date.

In accordance with GASBS No. 75, the School District’s proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2019, the State’s proportionate share of the total nonemployer OPEB liability’s deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and		
actual experiences	\$ -	\$ 1,915,444
Changes of assumptions	-	4,423,058
Total	\$ -	\$ 6,338,502

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State’s proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2019	\$ (781,063)
2020	(781,063)
2021	(781,063)
2022	(781,063)
2023	(781,063)
Therafter	(2,433,187)
Total	\$ (6,338,502)

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

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2019, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$915,631, \$415,328, and \$1,330, respectively. In addition, \$369,021 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**12. RISK MANAGEMENT**

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

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

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

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

The Fund publishes its own financial report which can be obtained at [www.njsbaig.com](http://www.njsbaig.com).

**New Jersey Unemployment Compensation Insurance** - Effective January 1, 2015, The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "benefit reimbursement method" in lieu of the “contributory method”. Under this plan, the District is required to maintain a trust fund and reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018-2019	\$ 10,328	\$ 6,412	\$ 3	\$ 17,905	\$ 9,308
2017-2018	10,774	394	1	1,687	10,470
2016-2017	10,236	9,744	1	24,472	988

**13. DEFERRED COMPENSATION**

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

**14. COMPENSATED ABSENCES**

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

School District employees are granted varying amounts of vacation and sick leave in accordance with the School District’s personnel policy. Upon termination, employees are paid for accrued vacation. The School District’s policy permits employees to accumulated unused sick leave and carry forward the full amount to subsequent years.

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**14. COMPENSATED ABSENCES (Continued)**

Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with the School District's agreements with the various employee unions.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2019, the liability for compensated absences in the governmental activities fund types was \$75,594.

**15. INTERFUND BALANCES AND TRANSFERS**

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2020. The following interfund balances were recorded on the various balance sheets as of June 30, 2019:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 419,054	\$ 10,519
Special Revenue	10,519	108,290
Capital Projects	-	191,950
Fiduciary Fund	-	118,814
	\$ 429,573	\$ 429,573

**16. CONTINGENCIES**

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

At June 30, 2019, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**17. TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements.

If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**17. TAX ABATEMENTS (CONTINUED)**

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

The municipality recognized revenue of \$91,968 from the annual service charge in lieu of payment of taxes in 2018. The assessed value on these tax exemption properties amounted to \$22,326,900 which would have resulted in 2018 taxes billed in full of \$959,164. A portion of the \$867,196 abatement would have been allocated to the District.

**18. FLEXIBLE BENEFITS PROGRAM**

The School District offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses and other medical expenses not covered by other insurance. The School District, who is the plan administrator, has contracted with a third party to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to the third party for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the School District.

The following is a summary of School District contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance of the School District's fiduciary fund for the current and prior two years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	\$ -	\$ 15,940	\$ 12,611	\$ 6,584
2018	-	12,960	9,852	3,255
2017	-	7,560	9,667	147

**19. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$5,475 in the General Fund as of June 30, 2019 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$5,475 in the General Fund is equal to or less than the June state aid payments.

**Barrington School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**20. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2019, a deficit of \$2,498,671 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2019	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ (5,475)
Liabilities:	
Accrued Interest Payable	(37,150)
Bond Issuance Premiums	(173,126)
Net Pension Differences	(2,207,326)
Compensated Absences	<u>(75,594)</u>
Unrestricted Net Position (Deficit)	<u>\$ (2,498,671)</u>

**21. FUND BALANCES**

*RESTRICTED*

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District’s fund balance are summarized as follows:

**General Fund:**

**Tuition Reserve** – In accordance with N.J.A.C. 6A:23-3.1(f)(8), the School District has restricted fund balance at June 30, 2019 in the amount of \$680,000 for tuition adjustments. This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated cost of the respective contract year. \$340,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2020 and \$340,000 is reserved for use in the June 30, 2021 year.

**Capital Reserve** – As of June 30, 2019, the balance in the capital reserve account is \$945,655. Of this amount, \$375,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2020. The remaining amount is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan.

**Maintenance Reserve Account** – As of June 30, 2019, the balance in the maintenance reserve account is \$320,229. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**Emergency Reserve** – As of June 30, 2019, the balance in the emergency reserve is \$135,193. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

**Barrington School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2019**

**21. FUND BALANCES (Continued)**

*ASSIGNED*

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

**General Fund:**

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2019, \$237,401 of general fund balance.

**Other Purposes** – At June 30, 2019 the School District has \$61,107 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

*UNASSIGNED*

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

**General Fund** – As of June 30, 2019, the unassigned fund balance of the general fund was a deficit \$5,475. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 19).

Required Supplementary Information - Part II



Budgetary Comparison Schedules

**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2019**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local Tax Levy	\$ 10,306,628	\$ -	\$ 10,306,628	\$ 10,306,628	\$ -
Tuition from Individuals	15,000		15,000	19,500	4,500
Tuition from other LEA's (within state)	55,000		55,000	176,611	121,611
Interest earned on Emergency Reserve				33	33
Interest earned on Maintenance Reserve				69	69
Interest earned on Capital Reserve				118	118
Unrestricted miscellaneous revenues	2,000	-	2,000	2,197	197
<b>Total local sources</b>	<b>10,378,628</b>		<b>10,378,628</b>	<b>10,505,156</b>	<b>126,528</b>
State sources:					
Categorical Special Education Aid	524,444		524,444	524,444	
Equalization Aid	2,746,512		2,746,512	2,746,512	
Security Aid	81,247		81,247	81,247	
Transportation Aid	75,087		75,087	75,087	
Extraordinary Aid				46,483	46,483
Nonpublic Transportation Aid				15,643	15,643
On-behalf TPAF pension contrib.. (non-budgeted)				915,631	915,631
On-behalf Post Retirement Medical (non-budgeted)				415,328	415,328
On-behalf Long Term Disability Insurance (non-budgeted)				1,330	1,330
Reimbursed TPAF social security contribution (non-budgeted)				369,021	369,021
<b>Total state sources</b>	<b>3,427,290</b>		<b>3,427,290</b>	<b>5,190,726</b>	<b>1,763,436</b>
<b>TOTAL REVENUES</b>	<b>13,805,918</b>		<b>13,805,918</b>	<b>15,695,882</b>	<b>1,889,964</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	251,368	67,609	318,977	316,977	2,000
Grades 1-5	1,549,631	(178,992)	1,370,639	1,345,337	25,302
Grades 6-8	973,117	104,891	1,078,008	1,078,008	
Regular Programs - Home Instruction:					
Salaries of teachers	2,000	3,723	5,723	5,723	
Regular Programs - Undistributed Instruction:					
Other salaries for instruction					
Purchased professional - educational services	82,100	(3,723)	78,377	72,490	5,887
Purchased technical services	20,000	(387)	19,613	13,444	6,169
Other purchased services	1,500	387	1,887	1,887	
General supplies	117,818	(25,000)	92,818	71,228	21,590
Textbooks	47,970		47,970	37,446	10,524
Other objects	1,557		1,557	1,050	507
<b>Total - Regular Programs - Instruction</b>	<b>3,047,061</b>	<b>(31,492)</b>	<b>3,015,569</b>	<b>2,943,590</b>	<b>71,979</b>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of teachers	\$ 152,439	\$ (37,359)	\$ 115,080	\$ 64,909	\$ 50,171
Other salaries for instruction	164,085	22,777	186,862	186,862	
General supplies	1,000		1,000	78	922
<b>Total multiple disabilities</b>	<b>317,524</b>	<b>(14,582)</b>	<b>302,942</b>	<b>251,849</b>	<b>51,093</b>
Resource room/resource center:					
Salaries of teachers	943,257	150,853	1,094,110	1,092,133	1,977
Other salaries for instruction	85,132	(41,096)	44,036	44,036	
General supplies	10,000	240	10,240	1,213	9,027
Textbooks	2,000	(240)	1,760	64	1,696
<b>Total resource room/resource center</b>	<b>1,040,389</b>	<b>109,757</b>	<b>1,150,146</b>	<b>1,137,446</b>	<b>12,700</b>
Preschool disabilities - part time:					
Salaries of teachers	71,489	(4,953)	66,536	66,536	
Other salaries for instruction	52,229		52,229	51,029	1,200
General supplies	1,000		1,000		1,000
<b>Total preschool disabilities - part time</b>	<b>124,718</b>	<b>(4,953)</b>	<b>119,765</b>	<b>117,565</b>	<b>2,200</b>
<b>Total Special Education - Instruction</b>	<b>1,482,631</b>	<b>90,222</b>	<b>1,572,853</b>	<b>1,506,860</b>	<b>65,993</b>
Basic Skills/Remedial - Instruction					
Salaries of teachers	160,336	(85,056)	75,280	74,522	758
General supplies	3,000	(29)	2,971	2,505	466
<b>Total basic skills/remedial - instruction</b>	<b>163,336</b>	<b>(85,085)</b>	<b>78,251</b>	<b>77,027</b>	<b>1,224</b>
School Sponsored Cocurricular Activities - Instruc.					
Salaries	8,000	18,563	26,563	26,563	
School Sponsored Athletics - Instruc.					
Salaries	14,500	(108)	14,392	14,392	
Purchased services	4,000	275	4,275	4,275	
Other objects	3,700	(3,504)	196	196	
<b>Total school sponsored athletics - instruc</b>	<b>22,200</b>	<b>(3,337)</b>	<b>18,863</b>	<b>18,863</b>	
<b>Total Instruction</b>	<b>4,723,228</b>	<b>(11,129)</b>	<b>4,712,099</b>	<b>4,572,903</b>	<b>139,196</b>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - reg.	\$ 3,181,337	\$ 2,778	\$ 3,184,115	\$ 3,184,115	\$ -
Tuition to other LEAs within the state - spec	497,625	(71,253)	426,372	426,372	
Tuition to County Voc. School Districts - reg.	15,000	(5,314)	9,686	9,686	
Tuition to County Voc. School Districts - spec.	15,000	(2,000)	13,000	10,008	2,992
Tuition to CSSD & Reg. Day Schools		13,975	13,975	13,975	
Tuition to priv. sch. for the disabled in state	135,187	(17,323)	117,864	116,347	1,517
Tuition - other	27,000	18,001	45,001	44,813	188
Total undistributed expenditures - instruction	<u>3,871,149</u>	<u>(61,136)</u>	<u>3,810,013</u>	<u>3,805,316</u>	<u>4,697</u>
Attendance and Social Work Services:					
Salaries	29,631		29,631	19,165	10,466
Total attendance and social work services	<u>29,631</u>		<u>29,631</u>	<u>19,165</u>	<u>10,466</u>
Health Services:					
Salaries	167,359	(1,177)	166,182	165,858	324
Purchased professional and technical services	10,000	(1,124)	8,876	7,911	965
Other purchased services	600	(2)	598		598
Supplies and materials	6,000	314	6,314	6,314	
Other objects	5,250		5,250		5,250
Total health services	<u>189,209</u>	<u>(1,989)</u>	<u>187,220</u>	<u>180,083</u>	<u>7,137</u>
Speech, OT, PT & Related Services:					
Salaries	154,918	59,520	214,438	214,438	
Purchased professional - educational services	40,000	(28,625)	11,375	11,375	
Supplies and materials	1,000		1,000		1,000
Total speech, ot, pt & related services	<u>195,918</u>	<u>30,895</u>	<u>226,813</u>	<u>225,813</u>	<u>1,000</u>
Other Support Services Student - Extra. Serv.					
Salaries	76,544	(50,835)	25,709		25,709
Purchased professional - educational services	175,000	24,440	199,440	199,440	
Supplies and materials	1,000		1,000		1,000
Total other support services student - extra. serv.	<u>252,544</u>	<u>(26,395)</u>	<u>226,149</u>	<u>199,440</u>	<u>26,709</u>
Guidance:					
Salaries of other professional staff	133,518		133,518	69,063	64,455
Supplies and materials	1,000		1,000	369	631
Total guidance	<u>134,518</u>		<u>134,518</u>	<u>69,432</u>	<u>65,086</u>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Child Study Teams:					
Salaries of other professional staff	\$ 337,185	\$ -	\$ 337,185	\$ 327,562	\$ 9,623
Salaries of secretarial and clerical assistants	46,374		46,374	46,374	
Purchased professional - educational services	27,644	(1,808)	25,836	22,644	3,192
Other purchased services	4,000	1,808	5,808	5,808	
Supplies and materials	12,000	(4,500)	7,500	2,547	4,953
Other objects	5,000		5,000	3,085	1,915
Total child study teams	<u>432,203</u>	<u>(4,500)</u>	<u>427,703</u>	<u>408,020</u>	<u>19,683</u>
Improvement of Instructional Services:					
Salaries of supervisors of instruction	95,924		95,924	79,937	15,987
Other purchased services	200		200		200
Total improvement of instructional services	<u>96,124</u>		<u>96,124</u>	<u>79,937</u>	<u>16,187</u>
Educational Media Services/School Library:					
Salaries	56,609		56,609		56,609
Purchased professional and technical services	4,700	(113)	4,587	3,178	1,409
Supplies and materials	1,000	113	1,113	1,068	45
Total educational media services/school library	<u>62,309</u>		<u>62,309</u>	<u>4,246</u>	<u>58,063</u>
Instructional Staff Training Services:					
Purchased professional - educational services	5,000		5,000	800	4,200
Other purchased services	15,000		15,000	7,414	7,586
Supplies and materials	1,000		1,000		1,000
Total instructional staff training services	<u>21,000</u>		<u>21,000</u>	<u>8,214</u>	<u>12,786</u>
General Administration:					
Salaries	168,099	(5,332)	162,767	162,767	
Legal services	15,000	(2,797)	12,203	12,203	
Audit fees	25,000	500	25,500	25,500	
Architectural/Engineering Services	5,000		5,000	4,783	217
Purchased technical services	4,500	(4,500)			
Communications / telephone	42,000	2,063	44,063	44,063	
BOE other purchased services	1,000	506	1,506	1,506	
Other purchased services	11,400	(3,272)	8,128	7,899	229
Supplies and materials	2,000	1,000	3,000	99	2,901
BOE In-House Training/Meeting supplies	1,000	(1,000)			
Miscellaneous expenditures	6,000		6,000	5,734	266
BOE membership dues and fees	8,000		8,000	7,354	646
Total general administration	<u>288,999</u>	<u>(12,832)</u>	<u>276,167</u>	<u>271,908</u>	<u>4,259</u>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>School Administration:</b>					
Salaries of principals/assist. principals	\$ 108,166	\$ -	\$ 108,166	\$ 108,166	\$ -
Salaries of secretarial and clerical assistants	71,276	8,313	79,589	79,589	
Other purchased services	1,100		1,100	720	380
Supplies and materials	3,000	11,720	14,720	3,984	10,736
Other objects	3,500	(3,032)	468	50	418
<b>Total school administration</b>	<b>187,042</b>	<b>17,001</b>	<b>204,043</b>	<b>192,509</b>	<b>11,534</b>
<b>Central Services:</b>					
Salaries	119,271	27,045	146,316	146,316	
Purchased technical services	20,200		20,200	19,982	218
Misc. purchased services	2,500		2,500	608	1,892
Supplies and materials	6,500	(2,907)	3,593	2,927	666
Other objects	3,200		3,200	1,955	1,245
<b>Total central services</b>	<b>151,671</b>	<b>24,138</b>	<b>175,809</b>	<b>171,788</b>	<b>4,021</b>
<b>Administrative Information Technology:</b>					
Salaries	88,926	(24,138)	64,788	62,016	2,772
Purchased technical services	32,300	20,831	53,131	23,080	30,051
Other purchased services	1,000		1,000		1,000
Supplies and materials	31,000		31,000	2,936	28,064
<b>Total admin. information technology</b>	<b>153,226</b>	<b>(3,307)</b>	<b>149,919</b>	<b>88,032</b>	<b>61,887</b>
<b>Required Maintenance School Facilities:</b>					
Salaries	68,700	(60,965)	7,735	7,356	379
Cleaning, repair and maintenance services	85,500	(20,548)	64,952	59,864	5,088
General supplies	26,000		26,000	25,471	529
<b>Total required maintenance school facilities</b>	<b>180,200</b>	<b>(81,513)</b>	<b>98,687</b>	<b>92,691</b>	<b>5,996</b>
<b>Custodial Services:</b>					
Salaries	268,258	60,964	329,222	329,222	
Salaries of Non-Instructional Aides	50,840	37,019	87,859	87,859	
Unused vacation payment to term/retired staff					
Purchased prof. and technical services	9,000		9,000	3,633	5,367
Cleaning, repair and maintenance services	9,800	1,148	10,948	10,948	
Other purchased property services	25,000	(1,148)	23,852	20,098	3,754
Insurance	75,500	(12,711)	62,789	62,789	
General Supplies	25,000	(3,760)	21,240	14,024	7,216
Energy (Electricity)	85,000	(7,182)	77,818	66,483	11,335
Energy (Gasoline)	1,500		1,500	811	689
Energy (Natural Gas)	85,000		85,000	72,672	12,328
<b>Total custodial services</b>	<b>634,898</b>	<b>74,330</b>	<b>709,228</b>	<b>668,539</b>	<b>40,689</b>
<b>Care and Upkeep of Grounds:</b>					
Purchased prof. and technical services	15,000	7,182	22,182	14,260	7,922
Cleaning, repair and maintenance services	2,000		2,000		2,000
General Supplies	1,000		1,000		1,000
<b>Total care and upkeep of grounds</b>	<b>18,000</b>	<b>7,182</b>	<b>25,182</b>	<b>14,260</b>	<b>10,922</b>
<b>Security:</b>					
Purchased prof. and technical services	29,000		29,000	9,440	19,560
<b>Total operation &amp; maint. of plant services</b>	<b>862,098</b>	<b>(1)</b>	<b>862,097</b>	<b>784,930</b>	<b>77,167</b>

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

(CONTINUED TO NEXT PAGE)

**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Student Transportation Services:</b>					
Management fee - ESC Transp. programs	\$ 7,000	\$ -	\$ 7,000	\$ 6,423	\$ 577
Contr. serv. (between home & sch) - vendor	286,000	16,031	302,031	302,031	
Contr. serv. (not between home & sch) - vendor	20,400		20,400	16,080	4,320
Contr. Serv. (Regular Students) - ESC	100,000	(16,130)	83,870	46,103	37,767
Contr. Serv. (Spl. Ed. Students) - ESC	90,000	(50,319)	39,681	34,660	5,021
Contr. Serv. - Aid in Lieu of Payments - nonpublic	45,000	983	45,983	45,983	
Contr. Serv. - Aid in Lieu of Payments - charter sch	884	(884)			
Contr. Serv. - Aid in Lieu of Payments - choice sch	4,420		4,420		4,420
<b>Total student transportation services</b>	<b>553,704</b>	<b>(50,319)</b>	<b>503,385</b>	<b>451,280</b>	<b>52,105</b>
<b>Unallocated Benefits - Employee Benefits:</b>					
Social security contributions	100,000		100,000	88,343	11,657
Other retirement contributions - PERS	110,000	(9,551)	100,449	100,449	
Unemployment compensation	25,000	(18,700)	6,300	6,300	
Workmen's compensation	82,500	(8,776)	73,724	70,559	3,165
Health benefits	1,641,120	87,345	1,728,465	1,410,272	318,193
Tuition reimbursement	25,000		25,000	18,345	6,655
Unused Sick Payment to Term/Retired Staff	8,000	(8,000)			
Other employee benefits	80,000	57,256	137,256	127,257	9,999
<b>Total unallocated benefits - employee benefits</b>	<b>2,071,620</b>	<b>99,574</b>	<b>2,171,194</b>	<b>1,821,525</b>	<b>349,669</b>
On-behalf TPAF pension contr. (non-budgeted)				915,631	(915,631)
On-behalf Post Retirement Medical (non-budgeted)				415,328	(415,328)
On-behalf Long Term Disability Insurance (non-budgeted)				1,330	(1,330)
Reimbursed TPAF social security contr. (non-budgeted)				369,021	(369,021)
<b>Total Undistributed Expenditures</b>	<b>9,552,965</b>	<b>11,129</b>	<b>9,564,094</b>	<b>10,482,948</b>	<b>(918,854)</b>
<b>Total General Current Expense</b>	<b>14,276,193</b>		<b>14,276,193</b>	<b>15,055,851</b>	<b>(779,658)</b>
<b>CAPITAL OUTLAY:</b>					
<b>Facilities Acquisition and Constr. Services:</b>					
Architectural/engineering Services					
Construction Services	602,724		602,724	575,822	26,902
Assessment for Debt Service on SDA Funding	21,123		21,123	21,123	
<b>Total facilities acq. and constr. services</b>	<b>623,847</b>		<b>623,847</b>	<b>596,945</b>	<b>26,902</b>
<b>Total Capital Outlay</b>	<b>623,847</b>		<b>623,847</b>	<b>596,945</b>	<b>26,902</b>
Transfer to Charter Schools					
<b>TOTAL EXPENDITURES</b>	<b>14,900,040</b>		<b>14,900,040</b>	<b>15,652,796</b>	<b>(752,756)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(1,094,122)		(1,094,122)	43,086	1,137,208

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

(CONTINUED TO NEXT PAGE)

**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources:					
Proceeds of Capital Lease	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(1,094,122)	-	(1,094,122)	43,086	1,137,208
Fund Balance - July 1, 2018	<u>2,665,398</u>		<u>2,665,398</u>	<u>2,665,398</u>	
Fund Balance - June 30, 2019	<u>\$ 1,571,276</u>	<u>\$ -</u>	<u>\$ 1,571,276</u>	<u>\$ 2,708,484</u>	<u>\$ 1,137,208</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital reserve				\$ 945,655	
Tuition reserve - current year				340,000	
Tuition reserve - prior year				340,000	
Maintenance reserve				320,229	
Emergency reserve				135,193	
Assigned Fund Balance:					
Reserve for encumbrances				61,107	
Designated for subsequent year's expenditures				237,401	
Unassigned Fund Balance				<u>328,899</u>	
				2,708,484	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(334,374)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 2,374,110</u>	

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



**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2019**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State sources	\$ 60,089	\$ -	\$ 60,089	\$ 40,199	\$ (19,890)
Federal sources	355,443	-	355,443	326,656	(28,787)
Total Revenues	415,532	-	415,532	366,855	(48,677)
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	87,918	-	87,918	84,918	3,000
Purchased professional - educ. services	30,403	-	30,403	23,696	6,707
Purchased professional - tech. services	868	-	868	-	868
Tuition	206,355	-	206,355	206,355	-
Other purchased services	-	-	-	-	-
Textbooks	6,622	-	6,622	6,622	-
General supplies	37,558	-	37,558	24,375	13,183
Total Instruction	369,724	-	369,724	345,966	23,758
Support Services:					
Salaries of other professional staff	580	-	580	-	580
Personal services - employee benefits	20,889	-	20,889	20,889	-
Purchased professional - educational services	12,729	-	12,729	-	12,729
Other Purchased Service	10,598	-	10,598	-	10,598
Supplies and Materials	1,012	-	1,012	-	1,012
Total Support Services	45,808	-	45,808	20,889	24,919
Facilities Acquisition and Construction Services:					
Instructional equipment	-	-	-	-	-
Total Facilities Acq. and Const. Services	-	-	-	-	-
Total Expenditures	415,532	-	415,532	366,855	48,677
Total Outflows	415,532	-	415,532	366,855	48,677
Excess (Deficiency) of Revenues over (under) Expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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

**BARRINGTON SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**  
**Budgetary Comparison**  
**For the Fiscal Year Ended June 30, 2019**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 15,695,882	\$ 366,855
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	322,174	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(334,374)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 15,683,682	\$ 366,855
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 15,652,796	\$ 366,855
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 15,652,796	\$ 366,855

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

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

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0098876327%	0.0099548442%	0.0101209416%	0.0097681625%	0.0093361653%	0.0090908901%
District's proportionate share of the net pension liability (asset)	\$ 1,946,826	\$ 2,317,329	\$ 2,997,553	\$ 2,192,757	\$ 1,747,985	\$ 1,737,450
District's covered-employee payroll	734,101	737,221	696,643	674,631	666,509	648,986
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	265.20%	314.33%	430.29%	325.03%	262.26%	267.72%
Plan fiduciary net position as a percentage of the total pension liability	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

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

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

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 101,614	\$ 98,350	\$ 92,221	\$ 89,913	\$ 83,980	\$ 76,966
Contributions in relation to the contractually required contributions	<u>(101,614)</u>	<u>(98,350)</u>	<u>(92,221)</u>	<u>(89,913)</u>	<u>(83,980)</u>	<u>(76,966)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 734,101	\$ 737,221	\$ 696,643	\$ 674,631	\$ 666,509	\$ 648,986
Contributions as a percentage of covered-employee payroll	13.84%	13.34%	13.24%	13.33%	12.60%	11.86%

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

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

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0448336774%	0.0449331258%	0.0430353966%	0.0398964849%	0.0394278417%	0.0414913849%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 28,522,223	\$ 30,295,534	\$ 33,854,383	\$ 25,216,282	\$ 21,072,898	\$ 20,969,420
<b>Total</b>	<b>\$ 28,522,223</b>	<b>\$ 30,295,534</b>	<b>\$ 33,854,383</b>	<b>\$ 25,216,282</b>	<b>\$ 21,072,898</b>	<b>\$ 20,969,420</b>
District's covered-employee payroll	\$ 5,086,514	\$ 5,100,498	\$ 4,728,854	\$ 4,602,687	\$ 4,503,664	\$ 4,382,275
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

	<u>June 30,</u> <u>2019</u>	<u>June 30,</u> <u>2018</u>
State's proportion of the net OPEB liability (asset) associated with the District	0.04%	0.04%
District's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 19,732,133	\$ 22,881,868
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%
	<u>June 30,</u> <u>2019</u>	<u>June 30,</u> <u>2018</u>
<b>Total OPEB Liability</b>		
Service Cost	\$ 815,736	\$ 986,693
Interest	839,336	725,673
Difference between expected and actual experiences	(2,031,052)	
Changes of assumptions and other inputs	(2,264,361)	(3,048,997)
Member Contributions	18,236	19,516
Benefit payments	<u>(527,630)</u>	<u>(529,993)</u>
<b>Net Change in total OPEB Liability</b>	\$ (3,149,735)	\$ (1,847,108)
<b>Total OPEB Liability - beginning</b>	<u>\$ 22,881,868</u>	<u>\$ 24,728,976</u>
<b>Total OPEB Liability - ending</b>	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>
District's covered-employee payroll	5,820,615	5,837,719
Total OPEB Liability as a percentage of covered-employee payroll	339.00%	391.97%

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

**Barrington School District**  
**Notes to Required Supplementary Information**  
**Pension Schedules**  
**For the Fiscal Year Ended June 30, 2019**

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

*Changes of benefit term:* There were none.

*Changes of assumptions:* For 2018, the discount rate changed to 4.86% and the long-term rate of return remained at 7.00%. For 2017, the discount rate changed to 4.25% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.22% and the long-term rate of return changed to 7.65% from 7.90%. Also, for 2016, demographic assumptions were revised to reflect those recommended on the basis of the July 1, 2012 – June 30, 2015 experience study. For 2015, the discount rate changed to 4.13%. For 2013, the discount rate was 4.68%

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

*Changes of benefit term:* There were none.

*Changes of assumptions:* For 2018, the discount rate changed to 5.66% and the long-term rate of return remained at 7.00%. For 2017, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.98% and the long-term rate of return changed to 7.65% from 7.90%. Also, for 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 – June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further salary increases were assumed to increase between 1.65% and 4.15% (based on age) through year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90% and the social security wage base was set at \$118,500 for 2015, increasing 4.00% per annum, compounded annually and the 401(1)(17) pay limit was set at \$265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%

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

*Changes of benefit term:* There were none.

*Changes of assumptions:* In 2018 the discount rate changed to 3.87% from 3.85% as of June 30, 2017. In 2018, there were changes in the census, claims and premiums experience and a decrease in the assumed health care cost trend and excise tax assumptions. The discount rate was 2.85% as of June 30, 2016.



Other Supplementary Information

Special Revenue Fund  
Detail Statements

**BARRINGTON SCHOOL DISTRICT**  
**Special Revenue Fund**  
 Combining Statement of Revenues and Expenditures  
 Budgetary Basis  
 for the Fiscal Year ended June 30, 2019

	Nonpublic	Nonpublic	Nonpublic	Nonpublic	Nonpublic	Individuals with Disabilities Act		No Child Left Behind		Total
	Handicap Services					Textbooks	Nursing	Technology	Security	
	Examination & Classification									
<b>REVENUES:</b>										
State sources	\$ 16,551	\$ 6,622	\$ 7,145	\$ 4,196	\$ 5,685	\$ -	\$ -	\$ -	\$ -	\$ 40,199
Federal sources						206,355	8,244	102,888	9,169	326,656
Total revenues	<u>16,551</u>	<u>6,622</u>	<u>7,145</u>	<u>4,196</u>	<u>5,685</u>	<u>206,355</u>	<u>8,244</u>	<u>102,888</u>	<u>9,169</u>	<u>366,855</u>
<b>EXPENDITURES:</b>										
<i>Instruction:</i>										
Salaries of teachers							6,293	78,625		84,918
Purchased professional educational services	16,551		7,145							23,696
Tuition						206,355				206,355
Other purchased services										-
Textbooks		6,622								6,622
General Supplies				4,196	5,685			5,325	9,169	24,375
Total instruction	<u>16,551</u>	<u>6,622</u>	<u>7,145</u>	<u>4,196</u>	<u>5,685</u>	<u>206,355</u>	<u>6,293</u>	<u>83,950</u>	<u>9,169</u>	<u>345,966</u>
<i>Support services:</i>										
Personal services-employee benefits							1,951	18,938		20,889
Purchased professional technical services										-
Travel										-
Total support services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,951</u>	<u>18,938</u>	<u>-</u>	<u>20,889</u>
<i>Facilities acquisition &amp; construction services</i>										
Instructional equipment										-
Noninstructional equipment										-
Total facilities acquisition & construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>16,551</u>	<u>6,622</u>	<u>7,145</u>	<u>4,196</u>	<u>5,685</u>	<u>206,355</u>	<u>8,244</u>	<u>102,888</u>	<u>9,169</u>	<u>366,855</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Proprietary Funds  
Detail Statements

**BARRINGTON SCHOOL DISTRICT**  
**Enterprise Funds**  
**Combining Statement of Net Position**  
**June 30, 2019**

	<u>Food Service Fund</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 30,465
Accounts receivable:	
State	103
Federal	4,385
Inventories	<u>7,336</u>
Total Current Assets	<u>42,289</u>
Noncurrent Assets:	
Equipment	85,889
Less - accumulated depreciation	<u>(56,636)</u>
Total Noncurrent Assets	<u>29,253</u>
Total Assets	<u>\$ 71,542</u>
 <b>LIABILITIES:</b>	
Current Liabilities:	
Accounts Payable	\$ -
Unearned Revenue	<u>3,135</u>
Total Current Liabilities	<u>3,135</u>
 <b>NET POSITION:</b>	
Invested in capital assets	29,253
Unrestricted	<u>39,154</u>
Total Net Position	<u>\$ 68,407</u>

**BARRINGTON SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Revenues, Expenses**  
**and Changes in Fund Net Position**  
**For the Fiscal Year Ended June 30, 2019**

	<u>Food Service Fund</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily sales reimbursable programs:	
School lunch	\$ 54,364
School breakfast	1,489
Daily sales non-reimbursable programs	
Adult and a la carte sales	44,312
Miscellaneous	<u>7,973</u>
Total Operating Revenues	<u>108,138</u>
<b>OPERATING EXPENSES:</b>	
Salaries	86,331
Employee benefits	4,211
Supplies and materials	5,376
Management fee	17,490
Other costs	22,157
Depreciation	1,777
Cost of Sales - reimbursable programs	49,631
Cost of Sales - non-reimbursable programs	<u>19,741</u>
Total Operating Expenses	<u>206,714</u>
Operating Income (Loss)	<u>(98,576)</u>
<b>Non-Operating Revenues:</b>	
State sources:	
State school lunch program	1,915
Federal sources:	
National school lunch program	62,548
School breakfast program	11,138
Food distribution program	12,628
Local sources:	
Interest earned	<u>20</u>
Total Non-Operating Revenues	<u>88,249</u>
Income (Loss) before Contributions and Transfers	(10,327)
Operating Transfers In	<u>          </u>
Change in Net Position	(10,327)
Net Position - July 1, 2018	<u>78,734</u>
Net Position - June 30, 2019	<u><u>\$ 68,407</u></u>

**BARRINGTON SCHOOL DISTRICT**  
**Enterprise Funds**  
**Combining Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Food Service Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 107,358
Cash payments to employees for services	(90,542)
Cash payments to suppliers for goods and services	(106,869)
Net cash provided by (used for) operating activities	(90,053)
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	1,920
Cash received from federal sources	73,206
Net cash provided by noncapital financing activities	75,126
<b>Cash Flows Used by Capital and Related Financing Activities:</b>	
Capital asset adjustment from prior year	4
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on cash equivalents	20
Net increase (decrease) in cash and cash equivalents	(14,903)
Cash and Cash Equivalents - July 1, 2018	45,368
Cash and Cash Equivalents - June 30, 2019	\$ 30,465
<b>Reconciliation of Operating Income (Loss) to Net Cash provided by (used for)</b>	
<b>Operating Activities:</b>	
Operating income (loss)	\$ (98,576)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	1,777
Commodities	12,628
Change in assets and liabilities:	
(Increase) decrease in inventories	(535)
Increase (decrease) in accounts payable	(4,567)
Increase (decrease) in unearned revenue	(780)
Net cash provided by (used for) operating activities	\$ (90,053)

Fiduciary Funds  
Detail Statements



**BARRINGTON SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2019**

	Trust Funds		Agency Funds		Total
	Unemployment Compensation Trust	Flexible Benefits Trust	Student Activity	Payroll	
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 9,308	\$ 8,009	\$ 14,790	\$ 117,150	\$ 149,257
Other Receivable	-	-	-	239	239
Total Assets	\$ 9,308	\$ 8,009	\$ 14,790	\$ 117,389	\$ 149,496
 <b>LIABILITIES:</b>					
Liabilities:					
Interfund Payable	\$ -	\$ 1,425	\$ -	\$ 117,389	\$ 118,814
Due to Student Groups	-	-	14,790	-	14,790
Total Liabilities	-	1,425	\$ 14,790	\$ 117,389	133,604
 <b>NET POSITION:</b>					
Held in Trust for Payment of Claims	9,308	6,584			15,892
Total Net Position	\$ 9,308	\$ 6,584			\$ 15,892

**BARRINGTON SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Unemployment Compensation Trust Fund</b>	<b>Flexible Benefits Trust Fund</b>
	<u>          </u>	<u>          </u>
<b>ADDITIONS:</b>		
Contributions - Employee	\$ 10,337	\$ 13,764
Contributions - Other	6,300	-
Interest on Investments	3	-
	<u>          </u>	<u>          </u>
Total Additions	<u>16,640</u>	<u>13,764</u>
 <b>DEDUCTIONS:</b>		
Claims paid	17,791	10,328
Miscellaneous	11	107
	<u>          </u>	<u>          </u>
Total Deductions	<u>17,802</u>	<u>10,435</u>
Change in Net Position	(1,162)	3,329
Net Position-- July 1, 2018	<u>10,470</u>	<u>3,255</u>
Net Position -- June 30, 2019	<u><u>\$ 9,308</u></u>	<u><u>\$ 6,584</u></u>

**BARRINGTON SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Student Activity Agency Fund Schedule of Receipts and Disbursements**  
**for the Fiscal Year ended June 30, 2019**

	<u>Balance July 1, 2018</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Accounts Payable</u>	<u>Balance June 30, 2019</u>
Avon School	\$ 11,963	\$ 8,324	\$ 10,254	\$ -	\$ 10,033
Woodland School	<u>9,612</u>	<u>30,915</u>	<u>35,770</u>	<u>          </u>	<u>4,757</u>
Total all schools	<u>\$ 21,575</u>	<u>\$ 39,239</u>	<u>\$ 46,024</u>	<u>\$ -</u>	<u>\$ 14,790</u>

**BARRINGTON SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Payroll Agency Fund Schedule of Receipts and Disbursements**  
**for the Fiscal Year ended June 30, 2019**

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2019</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 105,558	\$ 7,016,555	\$ 7,004,963	\$ 117,150
Accounts Receivable	<u>          -</u>	<u>          239</u>	<u>                  </u>	<u>          239</u>
Total Assets	<u><u>\$ 105,558</u></u>	<u><u>\$ 7,016,794</u></u>	<u><u>\$ 7,004,963</u></u>	<u><u>\$ 117,389</u></u>
 <b>LIABILITIES:</b>				
Net payroll	\$ -	\$ 3,731,006	\$ 3,731,006	\$ -
Interfund Payable	105,558	138,592	126,761	117,389
Payroll deductions and withholdings	<u>          -</u>	<u>3,147,196</u>	<u>3,147,196</u>	<u>          -</u>
Total Liabilities	<u><u>\$ 105,558</u></u>	<u><u>\$ 7,016,794</u></u>	<u><u>\$ 7,004,963</u></u>	<u><u>\$ 117,389</u></u>

## Long-Term Debt Schedules

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Serial Bonds**  
**For the Fiscal Year Ended June 30, 2019**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2018	Issued	Retired	Balance June 30, 2019
			Date	Amount					
Series 2012 Refunding Bonds	12/19/12	\$ 5,030,000	4/01/20	\$ 295,000	4.000%	\$ 4,000,000	\$ -	\$ 285,000	\$ 3,715,000
			4/01/21	315,000	4.000%				
			4/01/22	325,000	4.000%				
			4/01/23	345,000	4.000%				
			4/01/24	370,000	4.000%				
			4/01/25	385,000	4.000%				
			4/01/26	405,000	4.000%				
			4/01/27	425,000	4.000%				
			4/01/28	425,000	4.000%				
			4/01/29	425,000	4.000%				
					<u>\$ 4,000,000</u>	<u>\$ -</u>	<u>\$ 285,000</u>	<u>\$ 3,715,000</u>	

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Obligations Under Capital Leases**  
**For the Fiscal Year Ended June 30, 2019**

Series	Date of Lease	Maturity Date	Interest Rate	Amount of Original Issue		Amount Outstanding July 1, 2018	Issued	Retired	Amount Outstanding June 30, 2019
				Principal	Interest				
Phone System	12/21/15	07/01/20	4.02%	\$ 50,616	\$ 5,262	\$ 30,996	\$ -	\$ 9,926	\$ 21,070
						<u>\$ 30,996</u>	<u>\$ -</u>	<u>\$ 9,926</u>	<u>\$ 21,070</u>

**BARRINGTON SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Fiscal Year Ended June 30, 2019**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 442,150	\$ -	\$ 442,150	\$ 442,150	\$ -
Total Revenues	<u>442,150</u>	<u>-</u>	<u>442,150</u>	<u>442,150</u>	<u>-</u>
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest on Bonds	78,575	78,575	157,150	157,150	-
Principal on Bonds	<u>363,575</u>	<u>(78,575)</u>	<u>285,000</u>	<u>285,000</u>	<u>-</u>
Total Expenditures	<u>442,150</u>	<u>-</u>	<u>442,150</u>	<u>442,150</u>	<u>-</u>
Excess (Deficiency) of revenues over (under) expenditures	-	-	-	-	-
Other Financing Sources:					
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	-	-	-	-	-
Fund Balance - July 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2019	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



**Statistical Section**

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

J-1

	<b>Fiscal Year Ending June 30,</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 3,488,688	\$ 3,498,016	\$ 3,082,076	\$ 3,106,894	\$ 3,042,304	\$ 998,793	\$ 690,191	\$ 421,969	\$ 201,685	\$ 480,998
Restricted for:										
Capital projects	382,311	381,021	520,226	313,731	314,071	234,024	437,275	836,652	992,190	945,655
Debt service	826	1,023	197	38,216	38,216	-	-	-	-	-
Special revenue	27,297	21,333	-	-	-	-	-	-	-	-
Other purposes	1,790,833	849,692	657,692	1,047,096	1,011,666	972,056	1,239,010	1,114,867	1,337,790	1,433,930
Unrestricted	(166,615)	(108,583)	(246,700)	(177,829)	(227,737)	(1,906,403)	(1,937,859)	(2,214,331)	(2,363,272)	(2,498,671)
<b>Total governmental activities net position</b>	<b>\$ 5,523,340</b>	<b>\$ 4,642,502</b>	<b>\$ 4,013,491</b>	<b>\$ 4,328,108</b>	<b>\$ 4,178,520</b>	<b>\$ 298,470</b>	<b>\$ 428,617</b>	<b>\$ 159,157</b>	<b>\$ 168,393</b>	<b>\$ 361,912</b>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 36,294	\$ 29,263	\$ 16,596	\$ 9,958	\$ 16,623	\$ 12,083	\$ 11,077	\$ 10,070	\$ 31,034	\$ 29,253
Unrestricted	68,308	64,874	67,642	69,098	46,761	61,602	46,981	59,384	47,700	39,154
<b>Total business-type activities net position</b>	<b>\$ 104,602</b>	<b>\$ 94,137</b>	<b>\$ 84,238</b>	<b>\$ 79,056</b>	<b>\$ 63,384</b>	<b>\$ 73,685</b>	<b>\$ 58,058</b>	<b>\$ 69,454</b>	<b>\$ 78,734</b>	<b>\$ 68,407</b>
<b>District-wide:</b>										
Net investment in capital assets	\$ 3,524,982	\$ 3,527,279	\$ 3,098,672	\$ 3,116,852	\$ 3,058,927	\$ 1,010,876	\$ 701,268	\$ 432,039	\$ 232,719	\$ 510,251
Restricted:										
Capital projects	382,311	381,021	520,226	313,731	314,071	234,024	437,275	836,652	992,190	945,655
Debt service	826	1,023	197	38,216	38,216	-	-	-	-	-
Special revenue	27,297	21,333	-	-	-	-	-	-	-	-
Other purposes	1,790,833	849,692	657,692	1,047,096	1,011,666	972,056	1,239,010	1,114,867	1,337,790	1,433,930
Unrestricted	(98,307)	(43,709)	(179,058)	(108,731)	(180,976)	(1,844,801)	(1,890,878)	(2,154,947)	(2,315,572)	(2,459,517)
<b>Total district net position</b>	<b>\$ 5,627,942</b>	<b>\$ 4,736,639</b>	<b>\$ 4,097,729</b>	<b>\$ 4,407,164</b>	<b>\$ 4,241,904</b>	<b>\$ 372,155</b>	<b>\$ 486,675</b>	<b>\$ 228,611</b>	<b>\$ 247,127</b>	<b>\$ 430,319</b>

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

J-2

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	\$ 3,227,596	\$ 3,075,513	\$ 2,356,419	\$ 2,767,185	\$ 2,826,277	\$ 3,634,351	\$ 3,279,189	\$ 3,366,236	\$ 3,741,504	\$ 3,336,081
Special education	912,498	875,724	1,253,984	1,167,771	1,275,374	1,160,139	1,400,181	1,433,344	1,652,424	1,719,508
Other instruction	121,054	114,440	132,951	129,602	128,154	149,707	143,912	166,949	190,833	122,453
Support Services:										
Tuition	5,315,449	5,356,679	4,849,768	3,968,660	4,204,377	3,739,380	3,737,670	3,842,255	3,277,077	3,805,316
Student & instruction related services	1,112,276	974,562	1,006,425	911,637	887,788	1,044,259	1,134,161	1,176,168	1,197,322	1,194,350
School administrative services	233,613	232,984	242,768	221,099	167,302	187,326	159,401	175,749	188,609	192,509
General and business administrative services	491,402	438,662	418,260	363,212	514,319	541,394	548,194	597,514	605,427	583,937
Plant operations and maintenance	715,660	633,014	734,569	501,324	722,348	1,214,681	749,376	765,718	1,179,150	1,055,913
Pupil transportation	503,433	395,754	385,491	415,007	463,689	449,777	462,781	435,809	466,314	451,280
Unallocated employee benefits	1,667,956	1,727,132	2,023,740	2,360,090	2,241,382	2,472,777	2,899,324	3,422,623	6,882,697	6,254,984
Transfer to Charter School	25,165	41,726	8,347	35,055	5,571	68,094	29,991	-	-	-
Interest on long-term debt	264,756	254,181	246,381	181,865	196,250	187,450	161,100	170,988	163,225	155,012
Unallocated depreciation	43,889	43,890	310,297	286,687	296,561	97,417	114,214	93,307	89,956	104,417
Total governmental activities expenses	<u>14,634,747</u>	<u>14,164,261</u>	<u>13,961,053</u>	<u>13,282,486</u>	<u>13,958,876</u>	<u>14,884,229</u>	<u>14,857,597</u>	<u>15,676,651</u>	<u>19,634,538</u>	<u>18,975,760</u>
Business-type activities:										
Food service	182,806	186,009	205,550	211,842	216,298	202,067	236,872	206,066	205,137	206,714
Total business-type activities expense	<u>182,806</u>	<u>186,009</u>	<u>205,550</u>	<u>211,842</u>	<u>216,298</u>	<u>202,067</u>	<u>236,872</u>	<u>206,066</u>	<u>205,137</u>	<u>206,714</u>
Total district expenses	<u>\$ 14,817,553</u>	<u>\$ 14,350,270</u>	<u>\$ 14,166,603</u>	<u>\$ 13,494,328</u>	<u>\$ 14,175,174</u>	<u>\$ 15,086,296</u>	<u>\$ 15,094,469</u>	<u>\$ 15,882,717</u>	<u>\$ 19,839,675</u>	<u>\$ 19,182,474</u>
<b>Program Revenues:</b>										
Governmental activities:										
Operating grants and contributions	\$ 1,216,402	\$ 1,024,704	\$ 1,045,161	\$ 1,296,205	\$ 1,141,282	\$ 1,483,956	\$ 1,555,032	\$ 1,647,553	\$ 5,560,339	\$ 4,744,757
Charges for services - Tuition							26,946	112,718	145,701	196,111
Capital grants and contributions										
Total governmental activities program revenues	<u>1,216,402</u>	<u>1,024,704</u>	<u>1,045,161</u>	<u>1,296,205</u>	<u>1,141,282</u>	<u>1,483,956</u>	<u>1,581,978</u>	<u>1,760,271</u>	<u>5,706,040</u>	<u>4,940,868</u>

(Continued)

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

J-2

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Business-type activities:</b>										
Charges for services:										
Food service	\$ 120,077	\$ 107,730	\$ 110,915	\$ 121,464	\$ 116,546	\$ 120,434	\$ 123,313	\$ 122,455	\$ 122,111	\$ 108,138
Operating grants and contributions	66,770	67,569	84,373	85,072	84,060	91,910	97,911	94,981	92,283	88,229
Capital grants and contributions										
Total business-type activities program revenues	<u>186,847</u>	<u>175,299</u>	<u>195,288</u>	<u>206,536</u>	<u>200,606</u>	<u>212,344</u>	<u>221,224</u>	<u>217,436</u>	<u>214,394</u>	<u>196,367</u>
Total district program revenues	<u>\$ 1,403,249</u>	<u>\$ 1,200,003</u>	<u>\$ 1,240,449</u>	<u>\$ 1,502,741</u>	<u>\$ 1,341,888</u>	<u>\$ 1,696,300</u>	<u>\$ 1,803,202</u>	<u>\$ 1,977,707</u>	<u>\$ 5,920,434</u>	<u>\$ 5,137,235</u>
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (13,418,345)	\$ (13,139,557)	\$ (12,915,892)	\$ (11,986,281)	\$ (12,817,594)	\$ (13,400,273)	\$ (13,275,619)	\$ (13,916,380)	\$ (13,928,498)	\$ (14,034,892)
Business-type activities	4,041	(10,710)	(10,262)	(5,306)	(15,692)	10,277	(15,648)	11,370	9,257	(10,347)
Total district-wide net expense	<u>\$ (13,414,304)</u>	<u>\$ (13,150,267)</u>	<u>\$ (12,926,154)</u>	<u>\$ (11,991,587)</u>	<u>\$ (12,833,286)</u>	<u>\$ (13,389,996)</u>	<u>\$ (13,291,267)</u>	<u>\$ (13,905,010)</u>	<u>\$ (13,919,241)</u>	<u>\$ (14,045,239)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 9,179,832	\$ 8,886,209	\$ 9,063,933	\$ 8,812,500	\$ 8,988,750	\$ 9,168,525	\$ 9,626,000	\$ 9,868,231	\$ 10,065,596	\$ 10,306,628
Taxes levied for debt service	499,351	446,081	457,655	449,884	416,250	389,234	425,250	427,900	435,250	442,150
Unrestricted grants and contributions	2,963,040	2,877,280	3,099,923	3,061,305	3,259,343	3,326,395	3,302,529	3,338,827	3,412,084	3,477,216
State aid restricted for capital projects	229,531	779								
Investment earnings	488	478	347		340	408	251	377	538	220
Miscellaneous income	79,007	47,892	34,194	11,060	3,323	24,945	51,736	11,585	24,266	2,197
Loss on disposal of assets										
Transfers										
Total governmental activities	<u>12,951,249</u>	<u>12,258,719</u>	<u>12,656,052</u>	<u>12,334,749</u>	<u>12,668,006</u>	<u>12,909,507</u>	<u>13,405,766</u>	<u>13,646,920</u>	<u>13,937,734</u>	<u>14,228,411</u>
Business-type activities:										
Investment earnings	275	245	363	124	20	24	21	26	23	20
Transfers										
Total business-type activities	<u>275</u>	<u>245</u>	<u>363</u>	<u>124</u>	<u>20</u>	<u>24</u>	<u>21</u>	<u>26</u>	<u>23</u>	<u>20</u>
Total district-wide	<u>\$ 12,951,524</u>	<u>\$ 12,258,964</u>	<u>\$ 12,656,415</u>	<u>\$ 12,334,873</u>	<u>\$ 12,668,026</u>	<u>\$ 12,909,531</u>	<u>\$ 13,405,787</u>	<u>\$ 13,646,946</u>	<u>\$ 13,937,757</u>	<u>\$ 14,228,431</u>
<b>Change in Net Position:</b>										
Governmental activities	\$ (467,096)	\$ (880,838)	\$ (259,840)	\$ 348,468	\$ (149,588)	\$ (490,766)	\$ 130,147	\$ (269,460)	\$ 9,236	\$ 193,519
Business-type activities	4,316	(10,465)	(9,899)	(5,182)	(15,672)	10,301	(15,627)	11,396	9,280	(10,327)
Total district-wide	<u>\$ (462,780)</u>	<u>\$ (891,303)</u>	<u>\$ (269,739)</u>	<u>\$ 343,286</u>	<u>\$ (165,260)</u>	<u>\$ (480,465)</u>	<u>\$ 114,520</u>	<u>\$ (258,064)</u>	<u>\$ 18,516</u>	<u>\$ 183,192</u>

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

J-3

	<b>Fiscal Year Ending June 30,</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General Fund:										
Restricted for:										
Capital reserve	\$ 22,921	\$ 23,202	\$ 223,549	\$ 313,731	\$ 314,071	\$ 231,079	\$ 437,275	\$ 836,652	\$ 992,190	\$ 945,655
Maintenance reserve				200,000	200,000	200,000	200,000	160,000	320,160	320,229
Emergency reserve				200,000	200,000	200,000	200,000	160,000	160,160	135,193
Tuition reserve	805,000		160,533	447,096	423,623	457,060	640,000	600,000	620,000	680,000
Excess surplus		252,249				-	-	-		
Assigned to:										
Year end encumbrances	48,683	17,443	105,514	-	-	-	-	24,189	-	61,107
Designated for subsequent year's budget	937,150	580,000	391,645	200,000	188,043	114,996	199,010	170,678	237,470	237,401
Unassigned	41,052	108,101	(29,473)	1,398	(40,177)	(28,886)	(7,562)	11,098	13,244	(5,475)
Total general fund	<u>\$ 1,854,806</u>	<u>\$ 980,995</u>	<u>\$ 851,768</u>	<u>\$ 1,362,225</u>	<u>\$ 1,285,560</u>	<u>\$ 1,174,249</u>	<u>\$ 1,668,723</u>	<u>\$ 1,962,617</u>	<u>\$ 2,343,224</u>	<u>\$ 2,374,110</u>
All Other Governmental Funds										
Restricted for, reported in:										
Special revenue fund	\$ 27,297	\$ 21,333								
Capital projects fund	359,390	357,819	\$ 296,677	\$ -	\$ -	\$ 2,945				
Debt service fund	826	1,023	197	38,216	38,216					
Total all other governmental funds	<u>\$ 387,513</u>	<u>\$ 380,175</u>	<u>\$ 296,874</u>	<u>\$ 38,216</u>	<u>\$ 38,216</u>	<u>\$ 2,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

J-4

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Tax levy	\$ 9,679,183	\$ 9,332,290	\$ 9,521,588	\$ 9,262,384	\$ 9,405,000	\$ 9,557,759	\$ 10,051,250	\$ 10,296,131	\$ 10,500,846	\$ 10,748,778
Tuition						22,138	26,946	112,718	145,701	196,111
Transportation fees										
Interest earnings	488	478	347	-	340	408	251	377	538	220
Miscellaneous	79,007	47,892	34,194	11,060	3,323	2,807	51,736	11,585	24,266	2,197
State sources	3,368,440	3,481,610	3,705,289	3,983,279	4,061,072	4,457,669	4,436,988	4,662,021	4,949,005	5,218,725
Federal sources	1,040,533	421,153	439,795	374,231	339,553	352,682	420,573	324,359	340,445	326,656
Total revenue	<u>14,167,651</u>	<u>13,283,423</u>	<u>13,701,213</u>	<u>13,630,954</u>	<u>13,809,288</u>	<u>14,393,463</u>	<u>14,987,744</u>	<u>15,407,191</u>	<u>15,960,801</u>	<u>16,492,687</u>
<b>Expenditures</b>										
Instruction										
Regular Instruction	3,076,326	2,902,186	2,354,150	2,789,552	2,790,601	3,215,363	2,893,556	3,002,604	3,315,669	3,076,908
Special education instruction	912,498	875,724	1,253,984	1,167,771	1,275,374	1,160,139	1,400,181	1,433,344	1,652,424	1,719,508
Other instruction	121,054	114,440	132,951	129,602	128,154	149,707	143,912	166,949	190,833	122,453
Support Services:										
Tuition	5,315,449	5,356,679	4,849,768	3,968,660	4,204,377	3,739,380	3,737,670	3,842,255	3,277,077	3,805,316
Student & instruction related services	1,112,276	974,562	1,006,425	911,637	887,788	1,044,259	1,134,161	1,176,168	1,197,322	1,194,350
School administrative services	233,613	232,984	242,768	221,099	167,302	158,193	159,401	175,749	188,609	192,509
General and business admin. services	470,454	417,714	416,397	361,349	513,388	512,261	491,086	542,204	551,793	531,728
Plant operations and maintenance	667,907	650,774	635,652	578,674	723,029	717,604	723,713	757,160	792,418	784,930
Pupil transportation	503,433	395,754	385,491	415,007	463,689	449,777	462,781	435,809	466,314	451,280
Other support services	1,667,956	1,727,132	2,023,740	2,360,090	2,241,382	2,461,104	2,830,587	3,102,041	3,097,010	3,543,724
Transfer to Charter School	25,165	41,726	8,347	8,347	35,055	5,571	68,094	29,991	-	-
Capital outlay	624,435	28,816	153,934	55,502	39,564	499,237	76,439	21,123	415,475	596,945
Debt service:										
Principal	275,000	190,000	210,000	230,000	220,000	240,000	245,000	255,000	270,000	285,000
Interest and other charges	268,144	256,081	248,481	181,865	196,250	187,450	180,250	172,900	165,250	157,150
Total expenditures	<u>15,273,710</u>	<u>14,164,572</u>	<u>13,913,741</u>	<u>13,379,155</u>	<u>13,885,953</u>	<u>14,540,045</u>	<u>14,546,831</u>	<u>15,113,297</u>	<u>15,580,194</u>	<u>16,461,801</u>
Excess (Deficiency) of revenues over (under) expenditures	(1,106,059)	(881,149)	(212,528)	251,799	(76,665)	(146,582)	440,913	293,894	380,607	30,886
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing							50,616			
Accrued interest on sale of bonds										
Prior year payable canceled										
Capital reserve transfer to Capital Projects	(23,253)									
Capital outlay transfer to Capital Projects	(367,220)									
Transfers in	390,677	197		90,182		278,400	2,945			
Transfers out	(204)	(197)		(90,182)		(278,400)	(2,945)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,616</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (1,106,059)</u>	<u>\$ (881,149)</u>	<u>\$ (212,528)</u>	<u>\$ 251,799</u>	<u>\$ (76,665)</u>	<u>\$ (146,582)</u>	<u>\$ 491,529</u>	<u>\$ 293,894</u>	<u>\$ 380,607</u>	<u>\$ 30,886</u>
Debt service as a percentage of noncapital expenditures	3.71%	3.16%	3.33%	3.09%	3.01%	3.04%	2.94%	2.84%	2.87%	2.79%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

J-5

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Prior Year Refunds</u>	<u>Rentals</u>	<u>Custodial</u>	<u>Miscellaneous</u>	<u>Total</u>
2010	\$ 57,011		\$ 21,689			\$ 795	\$ 79,495
2011	16,947		30,850			573	48,370
2012	12,673		21,357			511	34,541
2013	3,646					7,414	11,060
2014	1,634		28			1,661	3,323
2015	1,382	22,138	1,425				24,945
2016	2,055	26,946	18,963		23,282	7,687	78,933
2017	2,271	112,718	2,950	700		6,041	124,680
2018	2,193	145,701	20,967	-		1,644	170,505
2019	539	196,111				1,878	198,528
	<u>\$ 100,351</u>	<u>\$ 503,614</u>	<u>\$ 118,229</u>	<u>\$ 700</u>	<u>\$ 23,282</u>	<u>\$ 28,204</u>	<u>\$ 774,380</u>

Source: District records

**Barrington School District  
Assessed Value and Actual Value of Taxable Property,  
Last Ten Fiscal Years**

J-6

<b>Fiscal Year Ended June 30,</b>	<b>Vacant Land</b>	<b>Residential</b>	<b>Farm Reg.</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Apartment</b>	<b>Total Assessed Value</b>	<b>Public Utilities a</b>	<b>Net Valuation Taxable</b>	<b>Tax-Exempt Property</b>	<b>Total Direct School Tax Rate b</b>	<b>Estimated Actual (County Equalized) Value</b>
2010 R	\$ 3,961,800	\$ 455,758,000	\$ 521,200	\$ 41,750,600	\$ 44,350,800	\$ 45,198,600	\$ 591,541,000	\$ 1,323,638	\$ 592,864,638	\$ 145,746,400	\$ 1.603	\$ 607,642,268
2011	3,718,800	451,117,000	521,200	40,934,300	30,174,100	44,707,700	571,173,100	1,072,135	572,245,235	146,126,700	1.647	563,323,573
2012	3,931,000	448,796,300	521,200	40,940,900	30,174,100	44,707,700	569,071,200	1,027,921	570,099,121	145,896,800	1.648	549,911,838
2013	3,839,000	446,818,000	521,200	40,054,500	30,174,100	37,129,900	558,536,700	986,545	559,523,245	146,061,300	1.668	527,825,972
2014	3,894,000	444,079,600	521,200	35,620,800	30,154,100	37,053,900	551,323,600	863,954	552,187,554	146,579,000	1.717	518,282,758
2015	3,702,400	442,083,600		35,588,700	26,054,100	37,053,900	544,482,700	870,278	545,352,978	146,942,700	1.798	511,919,710
2016	3,443,200	439,400,700		35,580,000	25,894,400	36,669,000	540,987,300	861,706	541,849,006	146,638,800	1.878	512,007,524
2017	2,798,500	387,324,500		31,387,510	33,276,600	39,190,300	493,977,410	871,110	494,848,520	144,473,200	2.101	446,453,328
2018	3,239,100	387,420,073		31,419,510	33,276,600	39,190,300	494,545,583	847,527	495,393,110	145,959,100	2.142	495,904,537
2019	3,223,900	387,828,000		31,288,510	33,276,600	39,190,300	494,807,310	875,518	495,682,828	145,959,100	2.190	541,276,616

**Source:**

Municipal Tax Assessor

**Note:**

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

- a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100 of assessed valuation.
- c Not available.
- R Revaluation



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

Fiscal Year Ended June 30,	Barrington School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Barrington	Camden County	
2010	R \$ 1.528	\$ 0.075	\$ 1.603	\$ 0.742	\$ 0.670	\$ 3.015
2011	1.572	0.075	1.647	0.811	0.694	3.152
2012	1.573	0.075	1.648	0.857	0.739	3.244
2013	1.594	0.074	1.668	0.903	0.718	3.289
2014	1.645	0.072	1.717	0.966	0.792	3.475
2015	1.720	0.078	1.798	1.007	0.823	3.628
2016	1.800	0.078	1.878	1.045	0.828	3.751
2017	2.015	0.086	2.101	1.172	0.916	4.189
2018	2.055	0.087	2.142	1.199	0.955	4.296
2019	2.101	0.089	2.190	1.244	0.947	4.381

**Source:** Municipal Tax Collector

**R** Revaluation

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

J-8

Taxpayer	2019		Taxpayer	2010	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Barrington Business Holdings	\$ 21,000,000	4.24%	Haddonfield Manor, LLC	\$ 23,356,100	3.94%
Haddonfield Holdings 2015, LLC	17,820,000	3.60%	Greenville Gardens Limited	18,121,400	3.06%
AION Willows, LLC	17,350,000	3.50%	AP-KEERA Barrington, LLC	16,433,100	2.77%
International Paper Company	5,726,100	1.16%	Weyerhaeuser Paper Co.	15,500,000	2.61%
101 Gloucester Pike Assoc.	3,594,900	0.73%	Berg Enterprise Associates	7,390,300	1.25%
120 E Barrington LLC	3,116,100	0.63%	Norman & Pauline Edmund	5,000,000	0.84%
Daniel G Kamin (Rite Aid)	2,792,900	0.56%	BVW Associates, LP	4,300,000	0.73%
Sieck Brothers/Royal Courts	1,718,800	0.35%	Sieck Brothers/Royal Courts	3,632,100	0.61%
JVS 1100 Barrington LLC	1,450,000	0.29%	Maureen Lenahan	2,421,000	0.41%
BVW Associates LP	1,308,900	0.26%	FBV Inc.	2,088,500	0.35%
<b>Total</b>	<b>\$ 75,877,700</b>	<b>15.31%</b>		<b>\$ 98,242,500</b>	<b>16.57%</b>

Source: Municipal Tax Assessor

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

J-9

<b>Fiscal Year Ended June 30,</b>	<b>Taxes Levied for the Calendar Year</b>	<b>Collected within the Fiscal Year of the Levy<sup>a</sup></b>		<b>Collections in Subsequent Years</b>
		<b>Amount</b>	<b>Percentage of Levy</b>	
2010	\$ 9,179,832	\$ 9,179,832	100.00%	-
2011	9,332,290	9,332,290	100.00%	-
2012	9,521,588	9,521,588	100.00%	-
2013	9,262,384	8,262,384	89.20%	-
2014	9,405,000	9,405,000	100.00%	-
2015	9,557,759	9,557,759	100.00%	-
2016	10,051,250	10,051,250	100.00%	-
2017	10,296,131	10,296,131	100.00%	-
2018	10,500,846	10,500,846	100.00%	-
2019	10,748,778	10,748,778	100.00%	-

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

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

**Barrington School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

J-10

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds <sup>a</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2010	\$ 6,107,000	\$ 35,751	\$ -	\$ -	\$ 6,142,751	2.11%	\$ 883
2011	5,917,000	17,991	-	-	5,934,991	1.96%	859
2012	5,707,000	16,982	-	-	5,723,982	1.87%	834
2013	5,230,000	6,621	-	-	5,236,621	1.71%	769
2014	5,010,000	2,320	-	-	5,012,320	1.59%	740
2015	4,770,000	160	-	-	4,770,160	1.45%	706
2016	4,525,000	-	-	-	4,525,000	1.35%	671
2017	4,270,000	40,539	-	-	4,310,539	1.24%	642
2018	4,000,000	30,997	-	-	4,030,997	c	603
2019	3,715,000	21,070	-	-	3,736,070	c	c

**Sources:**

- a District Records
- b Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- c Information not available.

**Barrington School District  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years**

J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding <sup>a</sup>		
2010	\$ 6,697,000	\$ -	\$ 6,697,000	1.35%	\$ 963
2011	6,547,000	-	6,547,000	1.32%	948
2012	5,707,000	-	5,707,000	1.15%	832
2013	5,230,000	-	5,230,000	1.06%	768
2014	5,010,000	-	5,010,000	0.91%	739
2015	4,770,000	-	4,770,000	0.87%	706
2016	4,525,000	-	4,525,000	0.84%	671
2017	4,270,000	-	4,270,000	0.86%	636
2018	4,000,000	-	4,000,000	0.81%	599
2019	3,715,000	-	3,715,000	0.75%	d

**Sources:**

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation.
- c Per Capita Personal Inome Data provided by the NJ Dept. of Labor and Workforce.
- d Information not available.

**Barrington School District  
Ratios of Overlapping Governmental Activities Debt  
As of December 31, 2018**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Barrington	\$ 13,029,070 (1)	100.000%	\$ 13,029,070
Camden County General Obligation Debt	402,702,498 (1)	1.390% (2)	5,597,565
			18,626,635
Subtotal, overlapping debt			18,626,635
Barrington School District Direct Debt			4,000,000
<b>Total direct and overlapping debt</b>			<b>\$ 22,626,635</b>

**Sources:**

- (1) Entity's Annual Debt Statement.
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2018 Equalized Valuation. The source for this computation was the 2018 County Abstract of Ratables, provided by the County Board of Taxation.

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

J-13

**Legal Debt Margin Calculation for Fiscal Year 2019**

	Equalized valuation basis (1)
2016	\$ 513,270,683
2017	522,119,660
2018	534,734,295
	<u>\$ 1,570,124,638</u>
Average equalized valuation of taxable property	<u>\$ 523,374,879</u>
Debt limit (3% of average equalized valuation) (2)	15,701,246
Net bonded school debt (3)	3,715,000
Legal debt margin	<u>\$ 11,986,246</u>

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 17,115,174	\$ 17,483,972	\$ 17,132,672	\$ 16,469,440	\$ 15,903,776	\$ 15,578,788	\$ 15,365,580	\$ 15,324,735	\$ 15,436,352	\$ 15,701,246
Total net debt applicable to limit (3)	<u>6,107,000</u>	<u>5,917,000</u>	<u>5,707,000</u>	<u>5,230,000</u>	<u>5,010,000</u>	<u>4,770,000</u>	<u>4,525,000</u>	<u>4,270,000</u>	<u>4,000,000</u>	<u>3,715,000</u>
Legal debt margin	<u>\$ 11,008,174</u>	<u>\$ 11,566,972</u>	<u>\$ 11,425,672</u>	<u>\$ 11,239,440</u>	<u>\$ 10,893,776</u>	<u>\$ 10,808,788</u>	<u>\$ 10,840,580</u>	<u>\$ 11,054,735</u>	<u>\$ 11,436,352</u>	<u>\$ 11,986,246</u>
Total net debt applicable to the limit as a percentage of debt limit	35.68%	33.84%	33.31%	31.76%	31.50%	30.62%	29.45%	27.86%	25.91%	23.66%

**Sources:**

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
- (3) District Records

**Barrington School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

J-14

<b>Year</b>	<b>Population <sup>a</sup></b>	<b>Personal Income <sup>b</sup></b>	<b>Per Capita Personal Income <sup>c</sup></b>	<b>Unemployment Rate <sup>d</sup></b>
2010	6,954	\$ 290,913,636	\$ 41,834	7.0%
2011	6,906	302,144,406	43,751	6.8%
2012	6,861	305,314,500	44,500	6.9%
2013	6,806	306,814,480	45,080	6.7%
2014	6,775	316,155,375	46,665	6.4%
2015	6,755	328,556,445	48,639	5.0%
2016	6,745	336,143,820	49,836	4.2%
2017	6,716	348,412,648	51,878	4.0%
2018	6,683	e	e	4.0%
2019	e	e	e	e

**Source:**

- <sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development
- <sup>b</sup> Personal income has been established based upon the municipal population and per capita personal income presented.
- <sup>c</sup> Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- <sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development
- <sup>e</sup> Information not available



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

**J-16**

<b><u>Function/Program</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
Instruction										
Regular	34.8	31.0	38.0	41.0	42.0	42.0	43.0	43.0	44.0	42.0
Special education	15.0	13.0	13.0	13.0	13.0	13.0	12.0	17.0	19.0	17.0
Support Services:										
Student & instruction related services	24.4	24.4	22.0	19.0	19.0	19.0	19.0	20.0	22.0	22.0
School administrative services	3.0	3.0	3.0	5.5	5.5	6.5	6.5	6.0	10.0	10.0
General and business administrative services	1.4	1.4	0.6	0.6	0.6	0.6	0.6	1.0	2.0	2.0
Plant operations and maintenance	6.5	6.5	6.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Business and other support services	1.3	1.3	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
<b>Total</b>	<b><u>86.4</u></b>	<b><u>80.6</u></b>	<b><u>84.8</u></b>	<b><u>87.8</u></b>	<b><u>88.8</u></b>	<b><u>89.8</u></b>	<b><u>89.8</u></b>	<b><u>95.7</u></b>	<b><u>105.7</u></b>	<b><u>101.7</u></b>

**Source:**  
District Personnel Records

**Barrington School District  
Operating Statistics,  
Last Ten Fiscal Years**

J-17

<u>Fiscal Year</u>	<u>Resident Enrollment</u>	<u>Operating Expenditures<sup>a</sup></u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff<sup>b</sup></u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)<sup>c</sup></u>	<u>Average Daily Attendance (ADA)<sup>c</sup></u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2010	612	\$ 12,936,075	\$ 21,137	-5.76%	58	1:10	604.5	574.5	4.62%	95.04%
2011	608	14,106,131	23,201	9.76%	56	1:10	625.6	594.5	3.49%	95.03%
2012	614	13,301,326	21,663	-6.63%	51	1:10	619.2	592.5	-1.02%	95.69%
2013	625	12,903,441	20,646	-4.70%	54	1:10	615.3	587.8	-0.63%	95.53%
2014	613	13,430,139	21,909	6.12%	55	1:11	612.9	587.8	-0.39%	95.90%
2015	616	13,613,358	22,100	0.87%	55	1:11	617.4	591.7	0.73%	95.84%
2016	619	14,045,142	22,690	2.67%	55	1:11	615.8	590.0	-0.26%	95.81%
2017	610	14,664,274	24,040	5.95%	60	1:10	614.7	589.7	-0.18%	95.93%
2018	628	14,729,469	23,455	-2.43%	63	1:10	620.6	590.8	0.96%	95.20%
2019	590	15,422,706	26,140	11.45%	59	1:10	592.5	566.5	-4.53%	95.61%

**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).

**Barrington School District  
School Building Information  
Last Ten Fiscal Years**

J-18

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>District Building</b>										
<u>Elementary</u>										
Woodland Elementary (1982)										
Square Feet	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462
Capacity (students)	353	353	353	353	353	353	353	353	353	353
Enrollment	198	252	237	250	224	248	256	264	287	265
Avon Elementary (1982)										
Square Feet	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876
Capacity (students)	308	308	308	308	308	308	308	308	308	308
Enrollment	412	356	377	375	389	370	360	350	333	301
<u>Other</u>										
Central Administration (1982)										
Square Feet	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820
Number of Schools at June 30, 2019										
Elementary = 1										
Middle School = 1										
Senior High School = 0										
Other = 0										

**Source:** District Facilities Office

**Barrington School District  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years**

J-19

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
<b>* School Facilities</b>											
Woodland School	\$ 38,031	\$ 43,672	\$ 30,122	\$ 61,265	\$ 56,949	\$ 70,057	\$ 65,692	\$ 63,871	\$ 71,261	\$ 48,199	\$ 549,119
Avon School	35,390	42,185	35,844	55,258	50,772	62,457	58,553	56,938	63,038	42,638	503,073
Other Facilities	7,450	3,358	11,087	3,604	2,008	2,470	2,329	2,258	2,741	1,854	39,159
Total School Facilities	<u>\$ 80,871</u>	<u>\$ 89,215</u>	<u>\$ 77,053</u>	<u>\$ 120,127</u>	<u>\$ 109,729</u>	<u>\$ 134,984</u>	<u>\$ 126,574</u>	<u>\$ 123,067</u>	<u>\$ 137,040</u>	<u>\$ 92,691</u>	<u>\$ 1,091,351</u>

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

**Source: District records**

**Barrington School District  
Insurance Schedule  
June 30, 2019**

**J-20**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)		
Limits of liability per occurrence	\$ 500,000,000	\$ 5,000
Equipment Breakdown	100,000,000	5,000
General Liability	16,000,000	
Automobile Liability	16,000,000	1,000
Workers' Compensation	2,000,000	
School Board Legal Liability	16,000,000	5,000
Public Employee Dishonesty	250,000	1,000
Loss of Money and Securities	50,000	500
Forgery or Alteration	50,000	500
Computer Fraud	250,000	1,000
Electronic Data Processing Equipment	780,000	1,000
Student Accident Coverage (Base Plan) (2)	1,000,000	
Student Accident Coverage (Catastrophic Plan) (3)	1,000,000	
Surety Bonds (4)		
Treasurer	200,000	
Board Secretary	50,000	

- (1) New Jersey School Boards Association Insurance Group
- (2) Berkley Life and Health Insurance
- (3) US Fire Insurance Company
- (4) Selective Insurance

**Source: District records**

**Single Audit Section**

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

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

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

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
 REQUIRED BY NEW JERSEY CIRCULAR 15-08-OMB**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
 of the Board of Education  
 Barrington School District  
 County of Camden  
 Barrington, New Jersey

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

I have audited Barrington School District (School District), in the County of Camden, State of New Jersey's compliance with the types of compliance requirements described in the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2019. The School District's major 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 state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

**Auditor's Responsibility**

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

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

### Opinion on Each Major State Program

In my opinion, the Barrington School District, in the County of Camden, 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 state programs for the fiscal year ended June 30, 2019.

### Report on Internal Control Over Compliance

Management of the Barrington 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 the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Barrington 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 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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



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

Marlton, New Jersey  
November 8, 2019



BARRINGTON SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2018			Carryover/ Walkover	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2019		
						(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Accounts Receivable)	Unearned Revenue	Due to Grantor
<b>U.S. Department of Education</b>																
<b>Passed-through State Department of Education:</b>																
Special Revenue Fund:																
Title I:																
Fiscal Year 2019	84.010	S010A180030	ESSA019019	\$ 103,180	7/1/18 - 6/30/19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (102,888)	\$ -	\$ -	\$ (102,888)	\$ -	\$ -
Fiscal Year 2018	84.010	S010A170030	ESSA019018	104,961	7/1/17 - 6/30/18	(45,805)				45,805				-		
Title II A:																
Fiscal Year 2019	84.367	S367A180029	ESSA019019	24,627	7/1/18 - 6/30/19									-		
Fiscal Year 2018	84.367	S367A170029	ESSA019018	25,073	7/1/17 - 6/30/18	(14,558)				14,558				-		
Title IV:																
Fiscal Year 2019	84.424	S424A180031	ESSA019019	13,037	7/1/18 - 6/30/19						(9,169)			(9,169)		
Fiscal Year 2018	84.424	S424A170031	ESSA019018	10,000	7/1/17 - 6/30/18	(6,963)				6,963				-		
I.D.E.A. Part B - Basic:																
Fiscal Year 2019	84.027	H027A180100	IDEA019019	206,355	7/1/18 - 6/30/19					181,282	(206,355)			(25,073)		
I.D.E.A. Part B - Preschool:																
Fiscal Year 2019	84.173	H173A180114	IDEA019019	8,244	7/1/18 - 6/30/19						(8,244)			(8,244)		
Fiscal Year 2018	84.173	H173A170114	IDEA019018	8,130	7/1/17 - 6/30/18	(1,778)				1,778				-		
Total U.S. Department of Education						(69,104)				250,386	(326,656)			(145,374)		
<b>U.S. Department of Agriculture</b>																
<b>Passed-through State Department of Education:</b>																
Enterprise Fund:																
Food Distribution Program																
Fiscal Year 2019	10.565	191NJ304N1099	N/A	12,628	7/1/18 - 6/30/19					12,628	(12,628)			-		
School Breakfast Program:																
Fiscal Year 2019	10.553	191NJ304N1099	N/A	11,138	7/1/18 - 6/30/19					10,187	(11,138)			(951)		
Fiscal Year 2018	10.553	181NJ304N1099	N/A	11,650	7/1/17 - 6/30/18	(643)				643				-		
National School Lunch Program:																
Fiscal Year 2019	10.555	191NJ304N1099	N/A	62,548	7/1/18 - 6/30/19					59,114	(62,548)			(3,434)		
Fiscal Year 2018	10.555	181NJ304N1099	N/A	66,501	7/1/17 - 6/30/18	(3,262)				3,262				-		
Total U.S. Department of Agriculture						(3,905)				85,834	(86,314)			(4,385)		
Total Federal Awards						\$ (73,009)	\$ -	\$ -	\$ -	\$ 336,220	\$ (412,970)	\$ -	\$ -	\$ (149,759)	\$ -	\$ -

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

**BARRINGTON SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Fiscal Year Ended June 30, 2019**

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2018			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance, June 30, 2019		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor
<b>State Department of Education</b>													
General Fund:													
Equalization Aid	19-495-034-5120-078	\$ 2,746,512	7/1/18 - 6/30/19	\$ -	\$ -	\$ -	\$ -	\$ 2,478,556	\$ (2,746,512)	\$ -	\$ (267,956)	\$ -	\$ -
Equalization Aid	18-495-034-5120-078	2,746,512	7/1/17 - 6/30/18	(264,634)				264,634					
Special Education Categorical Aid	19-495-034-5120-089	524,444	7/1/18 - 6/30/19					473,278	(524,444)		(51,166)		
Special Education Categorical Aid	18-495-034-5120-089	524,444	7/1/17 - 6/30/18	(50,531)				50,531					
Categorical Security Aid	19-495-034-5120-084	81,247	7/1/18 - 6/30/19					73,320	(81,247)		(7,927)		
Categorical Security Aid	18-495-034-5120-084	23,536	7/1/17 - 6/30/18	(2,268)				2,268					
Categorical Transportation Aid	19-495-034-5120-014	75,087	7/1/18 - 6/30/19					67,762	(75,087)		(7,325)		
Categorical Transportation Aid	18-495-034-5120-014	23,765	7/1/17 - 6/30/18	(2,290)				2,290					
Per Pupil Growth Aid	18-495-034-5120-097	8,540	7/1/17 - 6/30/18	(823)				823					
PARCC Readiness Aid	18-495-034-5120-098	8,540	7/1/17 - 6/30/18	(823)				823					
Professional Learning Community Aid	18-495-034-5120-101	8,360	7/1/17 - 6/30/18	(805)				805					
Extraordinary Special Education Cost Aid	19-495-034-5120-044	46,483	7/1/18 - 6/30/19						(46,483)		(46,483)		
Extraordinary Special Education Cost Aid	18-495-034-5120-044	57,196	7/1/17 - 6/30/18	(57,196)				57,196					
Nonpublic Transportation Aid	19-495-034-5120-014	15,643	7/1/18 - 6/30/19						(15,643)		(15,643)		
Nonpublic Transportation Aid	18-495-034-5120-014	13,340	7/1/17 - 6/30/18	(13,340)				13,340					
Homeless Tuition Aid	18-495-034-5120-005	9,099	7/1/17 - 6/30/18	(9,099)				9,099					
On-behalf TPAF Pension Contribution	19-495-034-5094-002	915,631	7/1/18 - 6/30/19					915,631	(915,631)				
On-behalf TPAF Post Retirement Medical	19-495-034-5094-001	415,328	7/1/18 - 6/30/19					415,328	(415,328)				
On-behalf TPAF Long Term Disability Ins.	19-495-034-5094-004	1,330	7/1/18 - 6/30/19					1,330	(1,330)				
Reimbursed TPAF Social Security Contr.	19-495-034-5094-003	369,021	7/1/18 - 6/30/19					351,105	(369,021)		(17,916)		
Reimbursed TPAF Social Security Contr.	18-495-034-5094-003	372,846	7/1/17 - 6/30/18	(36,695)				36,695					
Total General Fund				(438,504)				5,214,814	(5,190,726)		(414,416)		
Special Revenue Fund:													
NJ Nonpublic Aid:													
Textbook Aid	19-100-034-5120-064	6,622	7/1/18 - 6/30/19					6,622	(6,622)				
Nursing Aid	19-100-034-5120-070	12,028	7/1/18 - 6/30/19					12,028	(7,145)				4,883
Nursing Aid	18-100-034-5120-070	15,229	7/1/17 - 6/30/18			152				152			-
Technology Aid	19-100-034-5120-373	4,464	7/1/18 - 6/30/19					4,464	(4,196)				268
Technology Aid	18-100-034-5120-373	5,809	7/1/17 - 6/30/18			4				4			-
Security Aid	19-100-034-5120-509	18,600	7/1/18 - 6/30/19					18,600	(5,685)				12,915
Security Aid	18-100-034-5120-509	11,775	7/1/17 - 6/30/18			4,906				4,906			-
Handicapped Services:													
Examination & Classification	19-100-034-5120-066	18,375	7/1/18 - 6/30/19					18,375	(16,551)				1,824
Examination & Classification	18-100-034-5120-066	23,660	7/1/17 - 6/30/18			10,013				10,013			-
Total Special Revenue Fund						15,075		60,089	(40,199)		15,075		19,890
<b>State Department of Agriculture</b>													
Enterprise Fund:													
National School Lunch Program (State Share)	19-100-010-3350-023	1,915	7/1/18 - 6/30/19					1,812	(1,915)		(103)		
National School Lunch Program (State Share)	18-100-010-3350-023	2,176	7/1/17 - 6/30/18	(108)				108					
Total Enterprise Fund				(108)				1,920	(1,915)		(103)		
Total State Financial Assistance				\$ (438,612)	\$ -	\$ 15,075	\$ -	\$ 5,276,823	(5,232,840)	\$ 15,075	\$ (414,519)	\$ -	\$ 19,890
Less: State Financial Assistance Not Subject to New Jersey OMB Circular 15-08													
On-Behalf TPAF Contribution - Pension (Non-Budgeted) (915,631)													
On-Behalf TPAF Contribution - Post Retirement Medical (Non-Budgeted) (415,328)													
On-Behalf TPAF Contribution - Long Term Disability Insurance (Non-Budgeted) (1,330)													
Total State Financial Assistance Subject to New Jersey OMB Circular 15-08 <u>\$ (3,900,551)</u>													

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

**Barrington School District  
Notes to Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2019**

**I. GENERAL**

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

**2. BASIS OF ACCOUNTING**

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

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$12,200) for the general fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ -	\$ 5,178,526	\$ 5,178,526
Special Revenue	326,656	40,199	366,855
Food Service	86,314	1,915	88,229
Total	<u>\$ 412,970</u>	<u>\$ 5,220,640</u>	<u>\$ 5,633,610</u>

**Barrington School District**  
**Notes to the Schedules of Expenditures**  
**of Federal Awards and State Financial Assistance**  
**For the Fiscal Year Ended June 30, 2019**  
**(Continued)**

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

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

**5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2019. 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, 2019.

**6. MAJOR PROGRAMS**

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



BARRINGTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Section 1 -- Summary of Auditor's Results (Continued)

**State Awards**

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

Material weaknesses identified?   yes  X  no

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

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08?   yes  X  no

Identification of major programs:

<b><u>State Grant/Project Number(s)</u></b>	<b><u>Name of State Program</u></b>
<u>19-495-034-5120-078</u>	<b>State Aid Public Cluster:</b> <u>Equalization Aid</u>
<u>19-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>19-495-034-5120-084</u>	<u>Security Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

**BARRINGTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Section 2 -- Schedule of Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

No findings and /or questioned costs identified.

**BARRINGTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Section 3 -- Schedule of Federal Awards and State Financial Assistance  
Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

**FEDERAL AWARDS:**

A federal single audit was not required.

**STATE AWARDS:**

No findings and/or questioned costs identified.



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

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

**FINANCIAL STATEMENT FINDINGS**

**Finding #2018-001**

Cash receipts supporting documentation was not maintained for the Woodland School student activity fund.

**Current Status:**

This finding has been corrected.

**FEDERAL AWARDS**

A federal single audit was not required.

**STATE AWARDS**

There were no prior year audit findings.