

**SCHOOL DISTRICT  
OF**

**BURLINGTON  
TOWNSHIP**

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

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

**Comprehensive Annual  
Financial Report**

**of the**

**Burlington Township Board of Education**

**Burlington, New Jersey**

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

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

# BURLINGTON TOWNSHIP SCHOOL DISTRICT

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## **Introductory Section**

# BURLINGTON TOWNSHIP SCHOOLS

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

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

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

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

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November 8, 2019

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

Dear Board Members:

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

The comprehensive annual financial report has been prepared in accordance with Governmental Accounting Standards Board Statement 34 and is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2. U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance); and the State of New Jersey Circular OMB15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** Burlington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. Burlington Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through grade 12. These include regular and vocational, as well as special education for disabled students between the ages of 3 and 21 years old. The District completed the 2018-2019 fiscal year with an enrollment of 3,697 students, which is slightly lower than the previous year's enrollment. The district's highest enrollment was recorded in 2006-2007 at 4,182 students. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Average Student Enrollment	Percent Change
2009-2010	4,055	-2.73
2010-2011	4,104	1.21
2011-2012	4,061	-1.05
2012-2013	4,021	-0.98
2013-2014	4,043	0.55
2014-2015	3,994	-1.21
2015-2016	3,931	-1.58
2016-2017	3,869	-1.58
2017-2018	3,819	-1.29
2018-2019	3,697	-3.19

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

3) **MAJOR INITIATIVES**

**STRATEGIC PLANNING AND GOAL SETTING:** The Burlington Township School District engages in a yearly goal setting process that is driven by a long-range strategic plan. The Mission of the District is *to develop the intellectual, creative, and social potential of each child through an active partnership with all members of the community.* The District has established four broad goals focused on ***improving teaching and learning, fostering a safe and secure climate, engaging the community in meaningful ways, and promoting efficiency and quality through effective management and operations.*** During 2018-2019, the District focused on objectives within these goal areas. This focus was presented as the "All Students Achieving Plan" and updates were provided in public at the January and June Board of Education Meetings.

**STUDENT ACADEMIC PROGRESS:** Student academic progress is measured, in part, by standardized assessments. These assessments include NJSLA (formerly known as PARCC), the State Science Assessment (formerly NJASK Science), MAP, and SAT. The district historically outperforms the state in State Science Assessment in grades 4 and 8 by considerable amounts. Burlington Township has been recognized for the last four consecutive years for increased scores and numbers of Advanced Placement Exams. For June 2019, over 99% of Burlington Township students have met the State testing standards or alternative portfolio completion as required for graduation. Additionally, Burlington Township High School requires four years of study in all four core content areas, which exceeds state graduation requirements. The Burlington Township attendance rate is over 95% and the dropout rate less than 1%. Ninety-five percent of

Burlington Township students continue their education after high school at four-year colleges and universities, community colleges, and technical schools.

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

**REFERENDUM DECEMBER 2015:** A referendum was approved by voters in December 2015 to refurbish needed specific facilities in each school. The timing took into consideration the expiration of debt currently outstanding. The final round of projects identified in the referendum were undertaken during the summer of 2019. All of the referendum projects are complete or substantially complete.

**SCHOOL SAFETY AND SECURITY:** School safety and security continues to be an important topic in education. From 2009-2014 the district has engaged in a five-year safety and security project entitled *Project Guardian*. The district has engaged in a continuous safety and security process review team entitled *Team Guardian*. The district's significant and innovative efforts have been acknowledged in the state's task force report and mentioned by name in said report. Efforts continue in this area and preparations are underway to reinforce the efforts by establishing Project Guardian 2.0: Stay Alert. The district engages in Emergency Preparedness Task Force meetings with various first responder agencies and other connected agencies. Safety remains our top priority.

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

**SIGNIFICANT ADMINISTRATIVE CHANGES:** The district restructured the administrative positions beginning in the 2015-2016 school year. Significant changes included establishment of a Director of Human Resources and Community Relations. During the 2015-2016 school year, the district moved to improving instruction by transferring seasoned building administrators into content specific supervisor roles. During the 2016-2017 school year, the district appointed a School Business Administrator and an Assistant Superintendent of Special Education. During the 2017-2018 school year, a District Supervisor acting as Homeless Liaison was created to ensure compliance with the many new requirements under the McKinney-Vento Act. Also during the 2017-2018 school year, a District Supervisor of data was created and filled with an experienced building administrator. During the 2018-2019 school year, the District appointed a Director of Pupil Personnel Services and a Vice-Principal at Middle School and conducted searches for a Principal at the Middle School and a Vice-Principal at Young School.

- 4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in

conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation as well as to determine that the District has complied with applicable laws and regulations. The district fiscal management team reviews the standard operating procedures on an annual basis and alters the SOPs as needed to continue to ensure the fiscal responsibility is well managed.

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are reported as reservations of fund balance at June 30, 2019.

- 6) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the ACT.

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

- 8) **FISCAL AND OPERATIONAL EFFICIENCY:** The Burlington Township Board of Education is considered efficient in all areas reviewed by the Department of Education during the mid-year budget review. This efficiency was born from need resulting from periods of large enrollment growth and stagnant state aid during the late 1990's and 2000's. This efficiency has required the district to utilize such strategies as outsourcing almost all operational department personnel including facilities, food service, technology and transportation. The district has also outsourced in-class non-instructional support personnel. The 2% cap on property tax increases continues to be a challenge for the district. Lack of adequate state funding has been a challenge for the district for many years; however, in the 2017-2018 school year, state funding was finally restored to the level the district received in the 2009-2010 school year. Additionally, the district anticipates additional increases in state funding for the 2019-2020 school year.

- 9) **OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Inverso & Stewart. In addition to meeting the requirements set forth in state statutes,

the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles and audit requirements for federal awards (uniform guidance); and State of New Jersey Circular OMB 15-08 The auditor's report on the general purpose financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

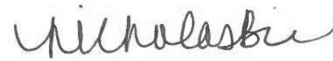
- 10) **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Burlington Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and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

Sincerely,



Mary Ann Bell  
Superintendent of Schools

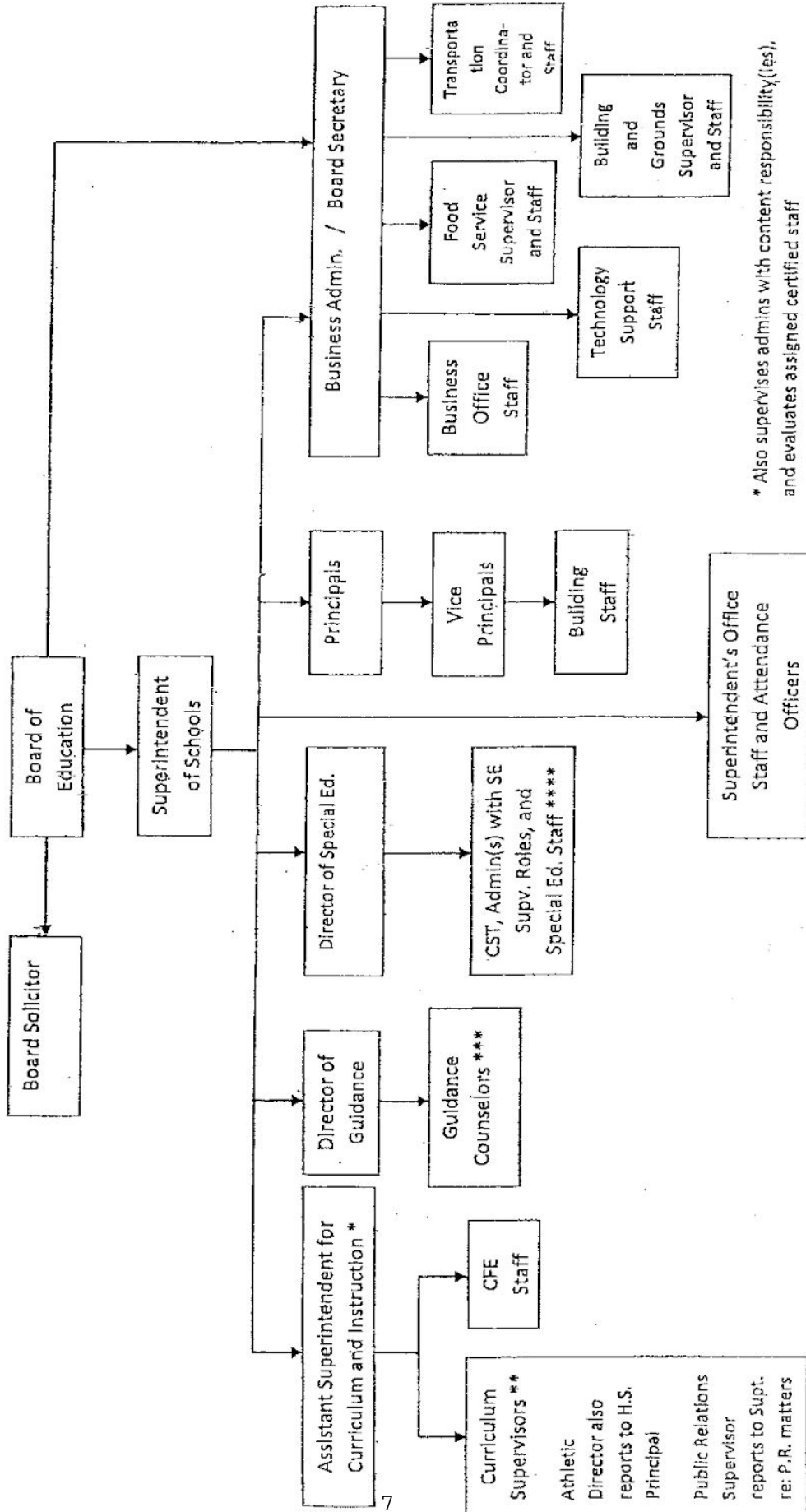
Sincerely,



Nicholas Bice  
Business Administrator/Board Secretary

Policy #S1110

Burlington Township School District  
Organizational Structure



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

\*\* Also evaluates assigned certified staff.

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

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

Revised First Reading May 2013



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

ROSTER OF OFFICIALS  
 JUNE 30, 2019

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires (December)</u></b>
Maryann McMahon-Nester, President	2020
Susan Eichmann, Vice President	2019
Lisa Bungarden	2020
Donna Custard	2019
Lisa Hodnett	2021
Christopher Holmes	2020
Antoinette Minors-Ferguson	2021
Jack Newman	2019
Velina Marie Riggi	2021

**Other Officials (as of June 30, 2019)**

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

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

**Audit Firm**

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

**Attorney**

David Serlin  
Blason II, Suite 120  
505 South Lenola Road  
Moorestown, NJ 08057

**Special Education Counsel**

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

**Bond Counsel**

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

**Official Depositories**

Investors Bank  
Beneficial Bank  
NJ State Cash Management

**Financial Section**

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

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

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New Jersey Society of CPAs

**INDEPENDENT AUDITOR'S REPORT**

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

***Report on the Financial Statements***

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Burlington Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 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 Burlington Township School District, in the County of Burlington, 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 Burlington Township School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

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

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



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

Marlton, New Jersey  
November 8, 2019

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

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



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

Marlton, New Jersey  
November 8, 2019



Required Supplementary Information - Part I

Management's Discussion and Analysis

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

As management of the Board of Education of Burlington Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 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 \$37,888,809 (*net position*).
- Governmental activities have deficit unrestricted net position of \$11,046,203. The accounting treatments in the governmental funds for compensated absences payable, pension liability, and the June state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this balance.
- The total net position of the School District increased by \$2,384,532, or a 6.72% increase from the prior fiscal year-end balance. The majority of the increase is attributable to the increase in Governmental Activities.
- Fund balance of the School District's governmental funds decreased by \$1,867,036 resulting in an ending fund balance of \$5,116,710. This decrease is largely due to the results of operations in the Capital Fund.
- Business-type activities have unrestricted net position of \$117,632 which may be used to meet the School District's ongoing obligations of the food service operations and performing arts center.
- The School District's long-term obligations decreased by \$5,685,881 which is the result a decrease in serial bond debt, net pension liability 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 and the Performing Arts Center Fund.

### **Fund Financial Statements**

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

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

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

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

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

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

The School District's two enterprise funds (Food Service Fund and the Performing Arts Center Fund) are listed individually and are considered to be major funds.

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

## **Notes to the Basic Financial Statements**

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

### **Other Information**

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

### **District-wide Financial Analysis**

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

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

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 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 \$34,854,511 with an unrestricted deficit balance of \$11,046,203. The net position of the primary government does not include internal balances.

A net investment of \$40,510,458 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 3,697 public school students, represents 116.23% of the School District's net position. Net position of \$2,644,042 has been restricted to provide resources for future capital expansion and renovation projects, \$1,458,800 for maintenance reserve, \$12,545 for repayment of debt and \$1,274,869 has been restricted for future budget appropriation.

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

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

	Governmental Activities		Business-Type Activities		District-Wide	
	2019	2018	2019	2018	2019	2018
<b>ASSETS</b>						
Current assets	\$ 5,787,164	\$ 7,171,611	\$ 516,873	\$ 123,063	\$ 6,304,037	\$ 7,294,674
Capital assets	60,350,097	60,920,993	2,916,666	3,009,199	63,266,763	63,930,192
<b>Total assets</b>	<b>66,137,261</b>	<b>68,092,604</b>	<b>3,433,539</b>	<b>3,132,262</b>	<b>69,570,800</b>	<b>71,224,866</b>
Deferred Outflows of Resources	1,602,477	2,263,658			1,602,477	2,263,658
<b>LIABILITIES</b>						
Current liabilities	5,502,162	5,319,285	399,241	25,194	5,901,403	5,344,479
Noncurrent liabilities	24,205,504	29,728,229			24,205,504	29,728,229
<b>Total Liabilities</b>	<b>29,707,666</b>	<b>35,047,514</b>	<b>399,241</b>	<b>25,194</b>	<b>30,106,907</b>	<b>35,072,708</b>
Deferred Inflows of Resources	3,177,561	2,911,539			3,177,561	2,911,539
<b>Net Position</b>	<b>\$ 34,854,511</b>	<b>\$ 32,397,209</b>	<b>\$ 3,034,298</b>	<b>\$ 3,107,068</b>	<b>\$ 37,888,809</b>	<b>\$ 35,504,277</b>
Net Position Consists of:						
Net investment in Capital Assets	40,510,458	36,783,789	2,916,666	3,009,199	43,427,124	39,792,988
Restricted Assets	5,390,256	7,300,274			5,390,256	7,300,274
Unrestricted Assets	(11,046,203)	(11,686,854)	117,632	97,869	(10,928,571)	(11,588,985)
<b>Net Position</b>	<b>\$ 34,854,511</b>	<b>\$ 32,397,209</b>	<b>\$ 3,034,298</b>	<b>\$ 3,107,068</b>	<b>\$ 37,888,809</b>	<b>\$ 35,504,277</b>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$2,457,302 during the current fiscal year. Key elements of the increased net position for governmental activities are as follows:

- Governmental funds had a net loss of \$1,867,036.
- Repayment of bond principal \$4,095,000.

**Business-type Activities**

Business-type activities decreased the School District's net position by \$72,770. Key elements of the decrease in net position for business-type activities are as follows:

- The Food Service Fund had a net loss of \$58,211 and the Performing Arts Center had a net loss of \$14,559.

**Burlington Township 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>						
Charges for services	\$ 245,364	\$ 478,208	\$ 855,320	\$ 751,074	\$ 1,100,684	\$ 1,229,282
Operating Grants and contributions	25,978,361	29,611,391	607,443	601,908	26,585,804	30,213,299
Property taxes	44,824,684	43,925,344			44,824,684	43,925,344
State aid - unrestricted	21,116,815	19,770,577			21,116,815	19,770,577
Other revenues	864,447	966,307	3,912	2,746,657	868,359	3,712,964
<b>Total Revenues</b>	<b>93,029,671</b>	<b>94,751,827</b>	<b>1,466,675</b>	<b>4,099,639</b>	<b>94,496,346</b>	<b>98,851,466</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	29,752,834	30,220,461			29,752,834	30,220,461
Tuition	4,841,975	3,262,410			4,841,975	3,262,410
Related Services	9,453,035	8,604,348			9,453,035	8,604,348
Administrative Services	3,269,435	2,999,737			3,269,435	2,999,737
Central services	1,451,117	2,053,684			1,451,117	2,053,684
Operations and Maintenance	5,616,269	9,900,494			5,616,269	9,900,494
Transportation	3,425,087	2,903,921			3,425,087	2,903,921
Employee benefits	32,068,620	35,796,503			32,068,620	35,796,503
Charter Schools	106,261	9,197			106,261	9,197
Interest on debt	432,527	717,192			432,527	717,192
Other	155,209	131,204			155,209	131,204
<b>Business-Type Activities:</b>						
Food Service			1,491,956	1,353,351	1,491,956	1,353,351
Performing Arts Center			47,489	53,569	47,489	53,569
<b>Total Expenses</b>	<b>90,572,369</b>	<b>96,599,151</b>	<b>1,539,445</b>	<b>1,406,920</b>	<b>92,111,814</b>	<b>98,006,071</b>
Increase (Decrease) in Net Position before transfers	2,457,302	(1,847,324)	(72,770)	2,692,719	2,384,532	845,395
Transfers						
Change in Net Position	2,457,302	(1,847,324)	(72,770)	2,692,719	2,384,532	845,395
Net Position, July 1	32,397,209	34,244,533	3,107,068	414,349	35,504,277	34,658,882
Net Position, June 30	<u>\$34,854,511</u>	<u>\$ 32,397,209</u>	<u>\$3,034,298</u>	<u>\$ 3,107,068</u>	<u>\$37,888,809</u>	<u>\$35,504,277</u>

**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 \$5,116,710, a decrease of \$1,867,036 in comparison with the prior year. The majority of the decrease is attributable to the results of operations in the capital fund

The unreserved fund balance for the School District at the end of the fiscal year includes a combination of an unreserved deficit fund balance for the General Fund of \$273,546, \$216,931 in the Capital Projects Fund and \$12,545 in the Debt Service Fund. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$1,864,556, 2) \$1,458,800 for maintenance reserve, 3) \$1,222,242 appropriated as a revenue source in the subsequent year’s budgets, and 3) \$615,182 reserved for encumbrances.

### General Fund Budgetary Highlights

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$1,531,946, while total fund balance (budgetary basis) was \$6,090,904. As a measure of the general fund’s liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$72,720,033. Unassigned fund balance (budgetary basis) represents 2.11% of expenditures while total fund balance (budgetary basis) represents 8.38% 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 \$63,266,764 (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 \$663,429, or a 1.04% decrease. This decrease is due to capital asset purchases less annual depreciation expense.

#### 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	\$ 1,621,644	\$ 1,621,644	\$ -	\$ -	\$ 1,621,644	\$ 1,621,644
Construction in Progress					-	-
Site Improvements	1,430,954	1,459,294			1,430,954	1,459,294
Building and Building Improvements	55,743,649	55,883,329	2,699,599	2,774,267	58,443,248	58,657,596
Equipment	1,553,850	1,956,726	217,068	234,932	1,770,918	2,191,658
Net Assets	<u>\$ 60,350,097</u>	<u>\$ 60,920,993</u>	<u>\$ 2,916,667</u>	<u>\$ 3,009,199</u>	<u>\$ 63,266,764</u>	<u>\$ 63,930,192</u>

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

*Long-term debt* – During the fiscal year ended June 30, 2019, the School District had \$19,789,000 in serial bonds payable, and \$1,673,565 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$95,437,906. The available amount as of June 30, 2019 is \$75,648,906.

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 2019-20 fiscal year.

- For the 2019-20 fiscal year the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$861,582 or 2.09 % as salaries continue to increase contractually. The 2019-20 General Fund Budget is \$2,229,190 more than the previous year or a 3.51% increase.
- The tax rate increased from \$1.938 in 2018 to \$1.955 in 2019, a 0.88% increase.

### **For the Future**

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

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

### **Requests for Information**

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Burlington Township School District Business Administrator, Box 428, Burlington, New Jersey, 08016.



## Basic Financial Statements

District-Wide Financial Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2019**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 1,452,173	\$ 204,714	\$ 1,656,887
Receivables, net	2,538,062	208,211	2,746,273
Inventory		36,321	36,321
Internal balances	(67,627)	67,627	
Restricted assets:			
Restricted cash and cash equivalents	1,864,556		1,864,556
Capital assets, net (Note 5)	60,350,097	2,916,666	63,266,763
Total assets	<u>66,137,261</u>	<u>3,433,539</u>	<u>69,570,800</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	<u>1,602,477</u>		<u>1,602,477</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	<u>67,739,738</u>	<u>3,433,539</u>	<u>71,173,277</u>
<b>LIABILITIES:</b>			
Accounts payable			
Related to pensions	334,415		334,415
Other	905,443		905,443
Unearned revenue	50,622	27,272	77,894
Other liabilities	86,358		86,358
Internal balances	(371,969)	371,969	
Accrued interest	287,022		287,022
Noncurrent liabilities:			
Due within one year	4,210,271		4,210,271
Due beyond one year	24,205,504		24,205,504
Total liabilities	<u>29,707,666</u>	<u>399,241</u>	<u>30,106,907</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of resources from pensions	<u>3,177,561</u>		<u>3,177,561</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	<u>32,885,227</u>	<u>399,241</u>	<u>33,284,468</u>
<b>NET POSITION:</b>			
Net investment in capital assets	40,510,458	2,916,666	43,427,124
Restricted for:			
Capital Projects	2,644,042		2,644,042
Other purposes	2,746,214		2,746,214
Unrestricted	<u>(11,046,203)</u>	<u>117,632</u>	<u>(10,928,571)</u>
Total position	<u>\$ 34,854,511</u>	<u>\$ 3,034,298</u>	<u>\$ 37,888,809</u>

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

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$ 20,478,045	\$ 245,364	\$ 412,075	\$ (19,820,606)	\$ -	\$ (19,820,606)
Special education	6,582,548		29,220	(6,553,328)		(6,553,328)
Other instruction	2,692,241			(2,692,241)		(2,692,241)
Support Services:						
Tuition	4,841,975		826,130	(4,015,845)		(4,015,845)
Student & instruction related services	9,453,035		315,667	(9,137,368)		(9,137,368)
General administrative services	733,058			(733,058)		(733,058)
School administrative services	2,536,377			(2,536,377)		(2,536,377)
Central services	905,119			(905,119)		(905,119)
Admin Info Technology	545,998			(545,998)		(545,998)
Plant operations and maintenance	5,616,269		13,550	(5,602,719)		(5,602,719)
Pupil transportation	3,425,087			(3,425,087)		(3,425,087)
Employee benefits	32,068,620		23,222,208	(8,846,412)		(8,846,412)
Charter schools	106,261			(106,261)		(106,261)
Interest on long-term debt	432,527		1,159,511	726,984		726,984
Unallocated depreciation and amortization	155,209			(155,209)		(155,209)
Total governmental activities	<u>90,572,369</u>	<u>245,364</u>	<u>25,978,361</u>	<u>(64,348,644)</u>		<u>(64,348,644)</u>
Business-type activities:						
Performing Arts Center	47,489	32,185			(15,304)	(15,304)
Food service	1,491,956	823,135	607,443		(61,378)	(61,378)
Total business-type activities	<u>1,539,445</u>	<u>855,320</u>	<u>607,443</u>		<u>(76,682)</u>	<u>(76,682)</u>
Total primary government	<u>\$ 92,111,814</u>	<u>\$ 1,100,684</u>	<u>\$ 26,585,804</u>	<u>\$ (64,348,644)</u>	<u>\$ (76,682)</u>	<u>\$ (64,425,326)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes, net				41,168,417		41,168,417
Taxes levied for debt service				3,656,267		3,656,267
Federal and State aid not restricted				21,116,815		21,116,815
Investment earnings				12,545	3,912	16,457
Contributing Capital						
Miscellaneous income				851,902		851,902
Total general revenues, special items, extraordinary items and transfers				<u>66,805,946</u>	<u>3,912</u>	<u>66,809,858</u>
Change in Net Position				2,457,302	(72,770)	2,384,532
Net Position - July 1,				32,397,209	3,107,068	35,504,277
Net Position - June 30				<u>\$ 34,854,511</u>	<u>\$ 3,034,298</u>	<u>\$ 37,888,809</u>

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

Fund Financial Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 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	\$ 683,055	\$ 7,500	\$ 761,618	\$ -	\$ 1,452,173
Receivables, net	1,353,440	414,014	713,805		2,481,259
Interfund receivables, net	1,233,248			101,135	1,334,383
Restricted cash and cash equivalents	1,864,556				1,864,556
<b>Total assets</b>	<b><u>\$ 5,134,299</u></b>	<b><u>\$ 421,514</u></b>	<b><u>\$ 1,475,423</u></b>	<b><u>\$ 101,135</u></b>	<b><u>\$ 7,132,371</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 663,105	\$ 233,955	\$ 8,383	\$ -	\$ 905,443
Interfund payables	153,984	168,737	687,554	49,322	1,059,597
Unearned revenues	31,800	18,822			50,622
<b>Total liabilities</b>	<b><u>848,889</u></b>	<b><u>421,514</u></b>	<b><u>695,937</u></b>	<b><u>49,322</u></b>	<b><u>2,015,662</u></b>
<b>Fund Balances:</b>					
<b>Restricted Fund Balance:</b>					
Maintenance reserve	1,458,800				1,458,800
Capital reserve	1,864,556				1,864,556
<b>Assigned Fund Balance:</b>					
Year-end encumbrances	52,627		562,555		615,182
Designated for subsequent year's expenditures	1,182,974			39,268	1,222,242
Unassigned fund balance	(273,546)		216,931	12,545	(44,070)
<b>Total fund balances</b>	<b><u>4,285,411</u></b>	<b><u>-</u></b>	<b><u>779,486</u></b>	<b><u>51,813</u></b>	<b><u>5,116,710</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 5,134,300</u></b>	<b><u>\$ 421,514</u></b>	<b><u>\$ 1,475,423</u></b>	<b><u>\$ 101,135</u></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 \$101,714,761 and the accumulated depreciation is \$41,364,664. 60,350,097

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds. (287,022)

Accounts payable related to the April 1, 2020 required PERS contribution that is not to be liquidated with current financial resources. (334,415)

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	\$ 1,602,477	
Net Pension Liability	(6,902,571)	
Deferred Inflows of resources from Pensions	(3,177,561)	(8,477,655)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds:

Bonds Payable	(19,839,639)	
Compensated Absences	(1,673,565)	(21,513,204)

Net position of governmental activities \$ 34,854,511

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 41,168,417	\$ -	\$ -	\$ 3,656,267	\$ 44,824,684
Tuition charges	245,364				245,364
Transportation fees	86,271				86,271
Interest earned			12,545		12,545
Miscellaneous	765,631				765,631
Total revenues-local sources	42,265,683	-	12,545	3,656,267	45,934,495
Local sources		289,332			289,332
State sources	30,360,267	39,989		1,159,511	31,559,767
Federal sources	114,332	1,335,237			1,449,569
Total revenues	72,740,282	1,664,558	12,545	4,815,778	79,233,163
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	17,928,327	412,075			18,340,402
Special education instruction	6,553,328	29,220			6,582,548
Other instruction	2,692,241				2,692,241
Support services and undistributed costs:					
Tuition	4,015,845	826,130			4,841,975
Student & instruction related services	9,137,368	315,667			9,453,035
General administrative services	733,058				733,058
School administrative services	2,070,749				2,070,749
Central services	905,119				905,119
Admin Info Technology	545,998				545,998
Plant operations and maintenance	5,810,770				5,810,770
Pupil transportation	3,114,668				3,114,668
Employee benefits	18,645,441	67,916			18,713,357
Charter Schools	106,261				106,261
Capital outlay	460,860	13,550	1,864,378		2,338,788
Debt service:					
Principal				4,095,000	4,095,000
Interest and other charges				756,230	756,230
Total expenditures	72,720,033	1,664,558	1,864,378	4,851,230	81,100,199
Excess (deficiency) of revenues over (under) expenditures	20,249	-	(1,851,833)	(35,452)	(1,867,036)
Other Financing Sources (Uses):					
Proceeds of Serial Bonds					-
Transfers in				12,545	12,545
Transfers out			(12,545)		(12,545)
Total other financing sources (uses)	-	-	(12,545)	12,545	-
Net change in fund balance	20,249	-	(1,864,378)	(22,907)	(1,867,036)
Fund balances, July 1	4,265,162		2,643,864	74,720	6,983,746
Fund balances, June 30	\$ 4,285,411	\$ -	\$ 779,486	\$ 51,813	\$ 5,116,710

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

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

Total net change in fund balances - governmental funds (from B-2)		\$ (1,867,036)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p style="margin-left: 40px;">Capital outlays are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	\$ (3,104,185)	
Capital outlay	<u>2,533,289</u>	(570,896)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		4,297,565
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		121,138
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		441,245
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>35,286</u>
Change in net position of governmental activities		<u>\$ 2,457,302</u>

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



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

	<b>Business-type Activities</b>			<b>Governmental</b>
	<b>Enterprise Funds</b>			<b>Activities -</b>
	<u>Food Service Program</u>	<u>Performing Arts Center</u>	<u>Total Enterprise</u>	<u>Internal Service Technology Services</u>
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 154,629	\$ 50,085	\$ 204,714	\$ -
Accounts receivable	207,156	1,055	208,211	-
Interfund receivable	64,497	3,130	67,627	-
Inventories	36,321	-	36,321	-
Total current assets	<u>462,603</u>	<u>54,270</u>	<u>516,873</u>	<u>-</u>
Noncurrent assets:				
Building and Building Improvements	2,875,568	-	2,875,568	-
Equipment	656,221	-	656,221	-
	<u>3,531,789</u>	<u>-</u>	<u>3,531,789</u>	<u>-</u>
Less accumulated depreciation	<u>(615,123)</u>	<u>-</u>	<u>(615,123)</u>	<u>-</u>
Total noncurrent assets	<u>2,916,666</u>	<u>-</u>	<u>2,916,666</u>	<u>-</u>
Total assets	<u>\$ 3,379,269</u>	<u>\$ 54,270</u>	<u>\$ 3,433,539</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Current liabilities:				
Unearned Revenue	\$ 27,272	\$ -	\$ 27,272	\$ -
Interfund payable	371,969	-	371,969	-
Total liabilities	<u>399,241</u>	<u>-</u>	<u>399,241</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	2,916,666	-	2,916,666	-
Unrestricted	63,362	54,270	117,632	-
Total net position	<u>\$ 2,980,028</u>	<u>\$ 54,270</u>	<u>\$ 3,034,298</u>	<u>\$ -</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2019**

	<b>Business-type Activities</b>			<b>Governmental</b>
	<b>Enterprise Funds</b>			<b>Activities -</b>
	<u>Food Service</u>	<u>Performing Arts</u>	<u>Total</u>	<u>Internal Service</u>
	<u>Program</u>	<u>Center</u>	<u>Enterprise</u>	<u>Technology</u>
				<u>Services</u>
<b>Operating revenues:</b>				
Charges for services:				
Daily sales-reimbursable programs	\$ 539,154	\$ -	\$ 539,154	\$ -
Daily sales-non-reimbursable programs	242,549	-	242,549	-
Special functions	41,432	-	41,432	-
Charges for technology services	-	-	-	350,735
Rentals	-	32,185	32,185	-
Total operating revenue	<u>823,135</u>	<u>32,185</u>	<u>855,320</u>	<u>350,735</u>
<b>Operating expenses:</b>				
Salaries and benefits	640,344	15,955	656,299	-
Direct expenses	3,258	-	3,258	-
Supplies and materials	42,989	24,233	67,222	-
Depreciation	92,533	-	92,533	-
Management fee	26,980	-	26,980	-
Cost of sales - reimbursable programs	537,524	-	537,524	-
Cost of sales - nonreimbursable programs	142,251	-	142,251	-
Other costs	6,077	7,301	13,378	350,735
Total operating expenses	<u>1,491,956</u>	<u>47,489</u>	<u>1,539,445</u>	<u>350,735</u>
Operating income (loss)	<u>(668,821)</u>	<u>(15,304)</u>	<u>(684,125)</u>	<u>-</u>
<b>Nonoperating revenues (expenses):</b>				
State sources:				
State school lunch program	15,458	-	15,458	-
Federal sources:				
National school lunch program	443,757	-	443,757	-
National school breakfast program	74,707	-	74,707	-
U.S.D.A. commodities	73,521	-	73,521	-
Local sources:				
Interest revenue	3,167	745	3,912	-
Total nonoperating revenues (expenses)	<u>610,610</u>	<u>745</u>	<u>611,355</u>	<u>-</u>
Change in net position	(58,211)	(14,559)	(72,770)	-
Total net position - July 1	<u>3,038,239</u>	<u>68,829</u>	<u>3,107,068</u>	<u>-</u>
Total net position - June 30	<u>\$ 2,980,028</u>	<u>\$ 54,270</u>	<u>\$ 3,034,298</u>	<u>\$ -</u>

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2019**

	<b>Business-type Activities</b>			<b>Governmental</b>
	<b>Enterprise Funds</b>			<b>Activities -</b>
	Food Service	Performing Arts	Total	Internal Service
	Program	Center	Enterprise	Technology
				Services
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 946,953	\$ 31,715	\$ 978,668	\$ 350,735
Payments to employees	(778,281)	(15,955)	(794,236)	
Payments to suppliers	(708,033)	(31,534)	(739,567)	(350,735)
Net cash used for operating activities	<u>(539,361)</u>	<u>(15,774)</u>	<u>(555,135)</u>	<u>-</u>
<b>Cash flows from noncapital financing activities:</b>				
State sources	15,458	-	15,458	-
Federal sources	518,793	-	518,793	-
Net cash provided by non-capital financing activities	<u>534,251</u>	<u>-</u>	<u>534,251</u>	<u>-</u>
<b>Cash flows from capital activities:</b>				
Purchases of fixed assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Interest and dividends	3,167	745	3,912	-
Net cash provided by investing activities	<u>3,167</u>	<u>745</u>	<u>3,912</u>	<u>-</u>
Net increase in cash and cash equivalents	(1,943)	(15,029)	(16,972)	-
Balances - July 1	<u>156,572</u>	<u>65,114</u>	<u>221,686</u>	<u>-</u>
Balances - June 30	<u>\$ 154,629</u>	<u>\$ 50,085</u>	<u>\$ 204,714</u>	<u>\$ -</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (668,821)	\$ (15,304)	\$ (684,125)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	92,533	-	92,533	-
Federal commodities	73,521	-	73,521	-
(Increase) decrease in inventories	(4,354)	-	(4,354)	-
(Increase) decrease in accounts receivable	(34,317)	(470)	(34,787)	-
Increase (decrease) in unearned revenue	2,077	-	2,077	-
Total adjustments	<u>129,460</u>	<u>(470)</u>	<u>128,990</u>	<u>-</u>
Net cash provided by (used for) operating activities	<u>\$ (539,361)</u>	<u>\$ (15,774)</u>	<u>\$ (555,135)</u>	<u>\$ -</u>

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

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

	<u>Unemployment Compensation Insurance Trust</u>	<u>Agency Funds</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 732,120	\$ 807,829
Interfund receivable	-	86,358
	<u>732,120</u>	<u>894,187</u>
<b>Total assets</b>	<u>732,120</u>	<u>894,187</u>
<b>LIABILITIES:</b>		
Accounts payable	446	-
Payroll deductions and withholdings	-	291,234
Other liabilities	-	41,145
Interfund payable	-	56,802
Due to student groups	-	505,006
	<u>446</u>	<u>894,187</u>
<b>Total liabilities</b>	<u>446</u>	<u>\$ 894,187</u>
<b>NET POSITION:</b>		
Held in trust for unemployment claims and other purposes	<u>\$ 731,674</u>	

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

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

	Unemployment Compensation Insurance Fund
ADDITIONS:	
Contributions:	
Employee contributions	\$ 50,790
Total Contributions	50,790
Investment earnings:	
Interest	9,903
Net investment earnings	9,903
Total additions	60,693
DEDUCTIONS:	
Unemployment claims	3,713
Total deductions	3,713
Change in net position	56,980
Net position - July 1	674,694
Net position - June 30	\$ 731,674

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Township of Burlington School District (School District) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. The Burlington School District has an approximate enrollment at June 30, 2019 of 3,697 students.

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

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

**Basis of Presentation**

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

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

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

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

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

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

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

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

**Proprietary Funds (Continued)**

The School District's enterprise funds are:

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

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

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

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

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

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

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

**Measurement Focus**

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

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



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

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

**Measurement Focus (Continued)**

**Fund Financial Statements (Continued)** - Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**Basis of Accounting**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 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 Expenditures** - Deferred expenditures are disbursements that are made in one period but are more accurately reflected as an expenditure/expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring cost of operations.

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

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

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

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

**Capital Assets (Continued)** - All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Burlington Township 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 rental fees for the performing arts center. Non-operating revenues principally consist of interest income earned on various interest bearing accounts and federal and state subsidy reimbursements for the food service program.

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

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

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

**Recently Issued Accounting Pronouncements** - In 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.

**Burlington Township 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 \$8,368,909 as of June 30, 2019, \$252,225 was insured under FDIC and the remaining balance of \$8,009,417 was collateralized under GUDPA.

During the fiscal year, the School district participated in the New Jersey Cash Management Fund. This Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial risk. Accordingly, the School District's deposits with the New Jersey Cash Management Fund of \$107,267 were uninsured and uncollateralized

**3. CAPITAL RESERVE ACCOUNT**

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

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

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

**3. CAPITAL RESERVE ACCOUNT (Continued)**

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

Balance – July 1, 2018	\$ 1,852,716
Increased by:	
Interest earned	25,267
	1,877,983
Decreased by:	
Transfer to General Fund Budget	13,427
	13,427
 Balance – June 30, 2019	 <u>\$ 1,864,556</u>

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

**4. ACCOUNTS RECEIVABLE**

Accounts receivable 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:

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Capital Projects Fund</b>	<b>Proprietary Funds</b>	<b>Total</b>
State Aid	\$ 1,167,175	\$ -	\$ 713,805	\$ 1,004	\$ 1,881,984
Federal Aid		158,609		34,844	193,453
Other	186,265	255,405		172,363	614,033
	<u>\$ 1,353,440</u>	<u>\$ 414,014</u>	<u>\$ 713,805</u>	<u>\$ 208,211</u>	<u>\$ 2,689,470</u>



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

**5. CAPITAL ASSETS**

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

	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Adjustments/ Deletions</u>	<u>Balance June 30, 2019</u>
<b>Governmental Activities:</b>				
<i>Capital Assets, not being depreciated</i>				
Land	\$ 1,621,644	\$ -	\$ -	\$ 1,621,644
Total Capital Assets not being Depreciation	<u>1,621,644</u>			<u>1,621,644</u>
<i>Capital Assets, being depreciated</i>				
Building and Improvements	90,531,350	2,085,158	384,514	92,231,994
Equipment	9,656,279	448,131	2,243,287	7,861,123
Total Historical Cost	<u>100,187,629</u>	<u>2,533,289</u>	<u>2,627,801</u>	<u>100,093,117</u>
<i>Less Accumulated Depreciation:</i>				
Building and Improvements	(33,188,726)	(2,253,180)	(384,514)	(35,057,392)
Equipment	(7,699,554)	(851,005)	(2,243,287)	(6,307,272)
Total Accumulated Depreciation	<u>(40,888,280)</u>	<u>(3,104,185)</u>	<u>(2,627,801)</u>	<u>(41,364,664)</u>
Total Capital Assets, being depreciated, net	<u>59,299,349</u>	<u>(570,896)</u>	<u>-</u>	<u>58,728,453</u>
Governmental Activities Capital Assets, Net	<u>\$ 60,920,993</u>	<u>\$ (570,896)</u>	<u>\$ -</u>	<u>\$ 60,350,097</u>
<b>Business-Type Activities:</b>				
Building and Improvements	\$ 2,875,568	\$ -	\$ -	\$ 2,875,568
Equipment	706,721	-	50,500	656,221
Total Historical Cost	<u>3,582,289</u>	<u>-</u>	<u>50,500</u>	<u>3,531,789</u>
<i>Less Accumulated Depreciation:</i>				
Building and Improvements	(101,301)	(74,668)	-	(175,969)
Equipment	(471,789)	(17,865)	(50,500)	(439,154)
Total Accumulated Depreciation	<u>(573,090)</u>	<u>(92,533)</u>	<u>(50,500)</u>	<u>(615,123)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 3,009,199</u>	<u>\$ (92,533)</u>	<u>\$ -</u>	<u>\$ 2,916,666</u>

Depreciation expense in the amount of \$3,104,185 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 2,172,929
Administration	465,628
Plant Operations and Maintenance	310,419
Unallocated	<u>155,209</u>
Total depreciation expense	<u>\$ 3,104,185</u>

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

**6. INVENTORY**

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

Food	\$ 27,447
Supplies	<u>8,874</u>
	<u>\$ 36,321</u>

**7. LONG-TERM OBLIGATIONS**

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

	<u>Balance June 30, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2019</u>	<u>Due Within One Year</u>
Bonds Payable	\$ 23,884,000	\$	\$ 4,095,000	\$ 19,789,000	\$ 4,085,000
Unamortized Premiums	<u>253,204</u>	<u></u>	<u>202,565</u>	<u>50,639</u>	<u>50,639</u>
Total Bonds Payable	24,137,204		4,297,565	19,839,639	4,135,639
Compensated Absences Payable	1,708,851	132,568	167,854	1,673,565	74,632
Net Pension Liability	<u>8,255,601</u>	<u></u>	<u>1,353,030</u>	<u>6,902,571</u>	<u></u>
Total Long-Term Obligations	<u>\$ 34,101,656</u>	<u>\$ 132,568</u>	<u>\$ 5,818,449</u>	<u>\$ 28,415,775</u>	<u>\$ 4,210,271</u>

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

Refunding Bonds - Authorized and issued, \$13,795,000, dated April 1, 2012, for refunding a portion of the 2004 bonds issued for the acquisition of land, construction of a new elementary school, expansion of Fountain Woods Elementary School and High School. The final maturity is due July 15, 2024 with interest rates varying from 3.75% to 5.00%

Refunding Bonds - Authorized and issued, \$13,325,000, dated October 3, 2013, for refunding the Refunding School Bonds of the district dated September 1, 2004. The final maturity is due January 15, 2020 with interest rates varying from 2.00% to 5.00%

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

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

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

**Debt Service Requirements**

Principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	\$	<u>Interest</u>	\$	<u>Total</u>
2020	\$ 4,085,000	\$	593,530	\$	4,678,530
2021	2,585,000		450,055		3,035,055
2022	2,630,000		380,430		3,010,430
2023	2,665,000		296,630		2,961,630
2024	2,695,000		199,130		2,894,130
2025-2028	<u>5,129,000</u>		<u>146,500</u>		<u>5,275,500</u>
	<u>\$ 19,789,000</u>	\$	<u>2,066,275</u>	\$	<u>21,855,275</u>

As of June 30, 2019 the District had no authorized but not issued bonds.

**Compensated Absences**

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

**8. OPERATING LEASES**

The District has various commitments for office equipment under operating leases which fully expire in 2021. Total operating lease payments made during the year ended June 30, 2019 and 2018 were \$130,778 and \$124,053, respectively. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2020	\$ 78,132
June 30, 2021	61,983
June 30, 2022	7,592
June 30, 2023	<u>5,721</u>
Total future minimum lease payments	<u>\$ 153,428</u>

**9. PENSION PLANS**

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

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

**9. PENSION PLANS (Continued)**

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

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

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

The following represents the membership tiers for TPAF:

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

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

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, 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 \$3,687,920 and was paid by April 1, 2019. School District employee contributions to the pension plan during the fiscal year ended June 30, 2019 were \$2,097,240.

**Burlington Township 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)**

*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 \$9,047,967 and revenue of \$9,047,967 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

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

	06/30/18	06/30/17
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	155,205,993	164,671,925
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.2439661007%	.2442348240%

*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.

**Burlington Township 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)**

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

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 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>	

*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.

**Burlington Township 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 rat

	<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	183,450,536	155,205,993	131,791,955
	\$ 183,450,536	\$ 155,205,993	\$ 131,791,955

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 to is to provide retirement, death and disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

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

The following represents the membership tiers for PERS:

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

**Burlington Township School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 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 13.39% 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 \$348,705 and was paid by April 1, 2019. School District employee contributions to the pension plan during the fiscal year ended June 30, 2019 were \$186,717.

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	\$ 43,576	\$ 289,273	\$ 15,856	\$ 1,128	\$ 349,833
2018	43,243	269,285	16,014		328,542
2017	49,709	252,976	15,107	-	317,792

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



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

**9. PENSION PLANS (Continued)**

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

At June 30, 2019, the School District reported a liability of \$6,902,571 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 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 (\$93,541). At June 30, 2019, the School District reported a liability of \$6,902,571 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	\$ 131,633	\$ 35,592
Changes of assumptions	1,137,429	2,207,075
Net Difference between projected and actual earnings on pension plan investments		64,746
Changes in proportion		870,148
District contributions subsequent to the measurement date	333,415	
<b>Total</b>	<b>\$ 1,602,477</b>	<b>\$ 3,177,561</b>

\$333,415 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	\$ (570,220)
2021	(282,883)
2022	(532,510)
2023	(337,445)
2024	(185,441)
<b>Total</b>	<b>\$ (1,908,499)</b>

**Burlington Township 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	.0350571118%	.0354646385%

*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.

**Burlington Township 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>	

**Burlington Township 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	\$ 8,679,188	\$ 6,902,571	\$ 5,412,103

*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>Fiscal Year</b>	<b>Total Liability</b>	<b>Paid by School District</b>
2019	\$ 16,062	\$ 16,062
2018	12,260	12,260
2017	12,344	12,344

**Burlington Township 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.

**Burlington Township 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%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
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.

**Burlington Township 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:

	Total OPEB Liability
Balance as of June 30, 2017	\$ 115,801,625
Changes for the years'	
Service Cost	4,507,399
Interest	4,261,350
Changes of benefit terms	
Differences between expected and actual experience	(10,737,179)
Changes in assumptions	(11,452,978)
Gross Benefit Payments	(2,668,716)
Contributions from the Non-employer	N/A
Contributions from the Member	92,235
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (15,997,889)
Balance at 06/30/2018	\$ 99,803,736

**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:

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 117,988,333	\$ 99,803,736	\$ 85,348,860

**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:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 120,746,163	\$ 99,803,736	\$ 81,181,948

**Burlington Township 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 \$4,842,082 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	\$ -	\$ 9,688,182
Changes of assumptions	-	22,371,517
<b>Total</b>	<b>\$ -</b>	<b>\$ 32,059,699</b>

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	\$ (3,950,560)
2020	(3,950,560)
2021	(3,950,560)
2022	(3,950,560)
2023	(3,950,560)
Therafter	(12,306,899)
<b>Total</b>	<b>\$ (32,059,699)</b>

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



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

**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 \$5,027,455, \$2,280,446, and \$3,404, respectively. In addition, \$2,046,479 on-behalf payments were made by the state for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**12. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The District has chosen to purchase insurance to transfer the risk to outside parties.

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

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

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

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

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

**13. DEFERRED COMPENSATION**

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

**14. COMPENSATED ABSENCES**

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

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

**14. COMPENSATED ABSENCES (Continued)**

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2019, the liability for compensated absences in the governmental fund was \$1,673,565.

**15. INTERFUND RECEIVABLES AND PAYABLES**

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 1,233,248	\$ 153,984
Special Revenue		168,737
Capital Projects		687,554
Debt Service	101,135	49,322
Proprietary	67,627	371,969
Fiduciary	<u>86,358</u>	<u>56,802</u>
	<u>\$ 1,488,368</u>	<u>\$ 1,488,368</u>

**16. CONTINGENCIES**

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

At June 30, 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, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**17. TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

**17. TAX ABATEMENTS (Continued)**

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

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

The municipality recognized revenue of \$222,020 from the annual service charge in lieu of payment of taxes in 2018. The assessed value on these tax exemption properties amounted to \$22,209,700 which would have resulted in 2018 taxes billed in full of \$657,187. A portion of the \$435,167 abatement would have been allocated to the District.

**18. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$273,546 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 payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$273,546 is equal to or less than the June state aid payments.

**19. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2019, a deficit of \$11,046,203 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 is as follows:

Balances June 30, 2019	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ (273,546)
Liabilities:	
Accrued interest payable	(287,022)
Net pension differences	(8,812,070)
Compensated Absences	<u>(1,673,565)</u>
Unrestricted Net Position (Deficit)	<u>\$ (11,046,203)</u>

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

**20. FUND BALANCES**

*RESTRICTED*

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

**General Fund:**

**Capital Reserve** – As of June 30, 2019, the balance in the capital reserve account is \$1,864,556, all of which is restricted for future capital outlay expenditures for capital projects in the School District's approved Long-Range Facilities Plan.

**Maintenance Reserve Account** – As of June 30, 2019, the balance in the maintenance reserve account is \$1,458,800. Of this amount, \$525,000 has been appropriated and included as an anticipated revenue for the fiscal year ended June 30, 2020. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

*ASSIGNED*

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

**General Fund:**

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2020, \$1,182,974 of general fund balance at June 30, 2019.

**Other Purposes** – At June 30, 2019 the School District has \$52,627 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Capital Projects Fund:**

**Other Purposes** – At June 30, 2019 the School District has \$562,555 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Debt Service Fund:**

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2020, \$39,268 of debt service fund balance at June 30, 2019.

*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, a deficit balance of \$273,546 was unassigned.

**Capital Projects Fund** – As of June 30, 2019, \$216,931 was unassigned.

**Debt Service Fund** – As of June 30, 2019, \$12,545 was unassigned.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2019**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 41,168,417	\$ -	\$ 41,168,417	\$ 41,168,417	\$ -
Tuition - other LEAS within State	39,000	-	39,000	229,113	190,113
Tuition - from individuals				16,251	16,251
Transportation fees from other LEAs	15,000	-	15,000	86,271	71,271
Capital reserve interest	400	-	400	25,267	24,867
Unrestricted miscellaneous revenue	77,000	-	77,000	740,364	663,364
<b>Total local sources</b>	<b>41,299,817</b>	<b>-</b>	<b>41,299,817</b>	<b>42,265,683</b>	<b>965,866</b>
State sources:					
Categorical special education aid	2,355,238		2,355,238	2,355,238	
Equalization aid	15,389,989	-	15,389,989	15,389,989	
Categorical security aid	533,760		533,760	533,760	
Categorical transportation aid	1,741,167		1,741,167	1,741,167	
Homeless tuition				37,453	37,453
Additional non-public transportation aid				32,000	32,000
Extraordinary aid	400,000		400,000	997,213	597,213
On-behalf TPAF Pension (non-budgeted)				5,027,455	5,027,455
On-behalf TPAF post retirement (non-budgeted)				2,280,446	2,280,446
On-behalf TPAF-LTDI (non-budgeted)				3,404	3,404
Reimbursed TPAF social security contributions (non-budgeted)				2,046,479	2,046,479
<b>Total state sources</b>	<b>20,420,154</b>	<b>-</b>	<b>20,420,154</b>	<b>30,444,604</b>	<b>10,024,450</b>
Federal sources:					
Medicaid Reimbursement - ARRA					-
Medicaid Reimbursement	75,391	-	75,391	114,332	38,941
<b>Total federal sources</b>	<b>75,391</b>	<b>-</b>	<b>75,391</b>	<b>114,332</b>	<b>38,941</b>
<b>TOTAL REVENUES</b>	<b>61,795,362</b>	<b>-</b>	<b>61,795,362</b>	<b>72,824,619</b>	<b>11,029,257</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	892,143	-	892,143	891,499	644
Grades 1-5	5,513,544	(236,827)	5,276,717	5,276,059	658
Grades 6-8	4,578,624	(116,224)	4,462,400	4,461,697	703
Grades 9-12	6,077,541	(301,603)	5,775,938	5,772,975	2,963
<b>Total Instruction</b>	<b>17,061,852</b>	<b>(654,654)</b>	<b>16,407,198</b>	<b>16,402,230</b>	<b>4,968</b>
Regular Programs - Home Instruction:					
Salaries of teachers	145,167	(40,478)	104,689	101,974	2,715
Purchased Prof. - Ed. Services	24,000	2,639	26,639	24,154	2,485
<b>Total Home Instruction</b>	<b>169,167</b>	<b>(37,839)</b>	<b>131,328</b>	<b>126,128</b>	<b>5,200</b>
Regular Programs - Undistributed Instruction:					
Purchased Prof. - Ed. Services	553,755	144,456	698,211	690,906	7,305
Other purchased services	142,500	(12,417)	130,083	126,334	3,749
General supplies	650,978	(93,168)	557,810	540,153	17,657
Textbooks	92,100	(49,009)	43,091	42,576	515
<b>Total Undistributed Instruction</b>	<b>1,439,333</b>	<b>(10,138)</b>	<b>1,429,195</b>	<b>1,399,969</b>	<b>29,226</b>
<b>Total - Regular Programs - Instruction</b>	<b>18,670,352</b>	<b>(702,631)</b>	<b>17,967,721</b>	<b>17,928,327</b>	<b>39,394</b>

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

(CONTINUED TO NEXT PAGE)

**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	\$ 261,374	\$ 240,292	\$ 501,666	\$ 501,467	\$ 199
Other salaries for instruction	49,389	24,910	74,299	74,249	50
Purchased professional - educ services	187,370	46,767	234,137	234,101	36
General supplies	9,600	(2,000)	7,600	7,149	451
Textbooks	700	(400)	300	263	37
<b>Total Multiple Disabilities</b>	<b>508,433</b>	<b>309,569</b>	<b>818,002</b>	<b>817,229</b>	<b>773</b>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	3,917,799	(224,495)	3,693,304	3,692,376	928
Other salaries for instruction	98,777	222	98,999	98,998	1
Purchased professional education services	1,093,308	(95,799)	997,509	994,930	2,579
General supplies	49,000	(22,025)	26,975	24,271	2,704
Textbooks	6,850	(5,700)	1,150	1,022	128
<b>Total Resource Room/Resource Center</b>	<b>5,165,734</b>	<b>(347,797)</b>	<b>4,817,937</b>	<b>4,811,597</b>	<b>6,340</b>
Special Educ Instruction: Autism					
Salaries of teachers	254,637	(137,005)	117,632	117,491	141
Purchased professional - educ services	250,221	(146,994)	103,227	103,223	4
General supplies	7,350		7,350	5,439	1,911
<b>Total Autism</b>	<b>512,208</b>	<b>(283,999)</b>	<b>228,209</b>	<b>226,153</b>	<b>2,056</b>
Special Educ Instruction: Preschool Disabilities - PT					
Salaries of teachers		27,000	27,000	27,000	
<b>Total Preschool Disabilities - Part-Time</b>		<b>27,000</b>	<b>27,000</b>	<b>27,000</b>	
Special Educ Instruction: Preschool Disabilities - FT					
Salaries of teachers	346,569	(54,882)	291,687	291,663	24
Purchased professional - educ services	459,946	(80,139)	379,807	379,675	132
General Supplies		50	50	11	39
<b>Total Preschool Disabilities - Full-Time</b>	<b>806,515</b>	<b>(134,971)</b>	<b>671,544</b>	<b>671,349</b>	<b>195</b>
<b>Total Special Education - Instruction</b>	<b>6,992,890</b>	<b>(430,198)</b>	<b>6,562,692</b>	<b>6,553,328</b>	<b>9,364</b>
Basic Skills/Remedial - Instruction					
Salaries of teachers	744,129	66,152	810,281	810,281	
Other salaries for instruction	12,825	30	12,855	12,825	30
Purchased professional - educ services	3,400	699	4,099	4,099	
<b>Total Basic Skills/Remedial - Instruction</b>	<b>760,354</b>	<b>66,881</b>	<b>827,235</b>	<b>827,205</b>	<b>30</b>
Bilingual Education - Instruction					
Salaries of teachers	286,278	534	286,812	286,761	51
General supplies	4,300	(1,247)	3,053	2,544	509
Textbooks	1,000	(1,000)			
<b>Total Bilingual Instruction- Instruction</b>	<b>291,578</b>	<b>(1,713)</b>	<b>289,865</b>	<b>289,305</b>	<b>560</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Vocational Programs - Local - Instruction					
Salaries of teachers	\$ 138,687	\$ 714	\$ 139,401	\$ 139,400	\$ 1
General supplies	21,000	(2,860)	18,140	18,140	
Total Vocational Programs- Instruction	159,687	(2,146)	157,541	157,540	1
School-Sponsored Cocurricular Act - Inst.					
Salaries	223,075	46,864	269,939	269,857	82
Supplies and materials	106,538	(40,800)	65,738	63,839	1,899
Total School-Sponsored Cocurr. Act. - Inst	329,613	6,064	335,677	333,696	1,981
School-Sponsored Athletics - Inst.					
Salaries	442,617	1,799	444,416	441,930	2,486
Purchased services (300-500)	51,100	(5,828)	45,272	45,185	87
Supplies and materials	78,550	(6,020)	72,530	71,943	587
Transfer to cover deficit (agency funds)	75,000		75,000	75,000	
Total School-Sponsored Athletics - Inst	647,267	(10,049)	637,218	634,058	3,160
Summer School					
Salaries	127,095	11,035	138,130	137,310	820
Other Salaries of Instructions	21,565	(2,400)	19,165	19,110	55
Purchased Professional & Technical Services	107,221	20,293	127,514	127,446	68
General Supplies	550	1,011	1,561	1,561	
Total Summer School	256,431	29,939	286,370	285,427	943
Other Supplemental/At-Risk Programs					
Salaries of Teacher Tutors	11,821	24,760	36,581	36,224	357
Salaries of Reading Specialist	128,787	(1)	128,786	128,786	
Total Other Supplemental/At-Risk Programs	140,608	24,759	165,367	165,010	357
Undistributed Expenditures - Instruction					
Tuition to other LEA's w/l the state - reg.	173,500	(20,965)	152,535	152,535	
Tuition to other LEA's w/l the state - spl.	61,000	17,495	78,495	78,495	
Tuition to county voc. school dist. - reg.	243,360		243,360	243,360	
Tuition to CSSD & reg. day schools	1,330,712	428,357	1,759,069	1,759,069	
Tuition to priv. sch. for the disabled w/i state	1,628,060	114,860	1,742,920	1,742,766	154
Tuition - Other		39,620	39,620	39,620	
Total Undistributed Expenditures - Instruction	3,436,632	579,367	4,015,999	4,015,845	154
Undistributed Expenditures - Attend. and Social Work					
Salaries	69,160	2,059	71,219	71,173	46
Salaries of Community School Coordinator	69,352	2,319	71,671	71,428	243
Other Purchased Serv.	1,500	1,117	2,617	2,616	1
Total Undistributed Expenditures - Attendance	140,012	5,495	145,507	145,217	290
Undistributed Expenditures - Health Services					
Salaries	520,692	34,134	554,826	554,749	77
Purchased prof. and technical services	85,000	(8,557)	76,443	76,337	106
Supplies and materials	13,600	(2,312)	11,288	11,039	249
Total Undistributed Expenditures - Health Svcs.	619,292	23,265	642,557	642,125	432

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Speech, OT, PT, - Related Services					
Salaries	\$ 729,958	\$ (26,981)	\$ 702,977	\$ 702,612	\$ 365
Purchased prof. and educational services	95,000	60,659	155,659	155,204	455
Supplies and materials	9,100	3,532	12,632	12,079	553
<b>Total Undst. Expend. - Speech, OT, PT. - Rel. Serv.</b>	<b>834,058</b>	<b>37,210</b>	<b>871,268</b>	<b>869,895</b>	<b>1,373</b>
Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.					
Salaries	158,545	(25,268)	133,277	133,223	54
Purchased prof. and educational services	1,229,754	772,179	2,001,933	2,001,867	66
<b>Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv.</b>	<b>1,388,299</b>	<b>746,911</b>	<b>2,135,210</b>	<b>2,135,090</b>	<b>120</b>
Undist. Expend. - Guidance					
Salaries of other professional staff	1,257,810	(29,997)	1,227,813	1,226,338	1,475
Salaries of secretarial and clerical assistants	241,256		241,256	241,256	
Other purchased prof. and technical services	9,000	(1,395)	7,605	7,555	50
Other purchased prof. services	1,100	(500)	600	537	63
Supplies and materials	26,000	(5,608)	20,392	19,640	752
Other objects	1,000		1,000	709	291
<b>Total Undst. Expend. - Guidance</b>	<b>1,536,166</b>	<b>(37,500)</b>	<b>1,498,666</b>	<b>1,496,035</b>	<b>2,631</b>
Undist. Expend. - Child Study Team					
Salaries of other professional staff	1,116,478	79,913	1,196,391	1,194,869	1,522
Salaries of secretarial and clerical assistants	155,696	(5,300)	150,396	149,675	721
Purchased Prof. - Ed Services	147,600	(37,376)	110,224	108,627	1,597
Other purchased prof. and technical services	12,000	(6,737)	5,263	5,254	9
Other purchased services	7,000	3,087	10,087	9,684	403
Supplies and materials	40,000	32,805	72,805	72,350	455
Other objects	3,250	(3,000)	250		250
<b>Total Undst. Expend. - Child Study Team</b>	<b>1,482,024</b>	<b>63,392</b>	<b>1,545,416</b>	<b>1,540,459</b>	<b>4,957</b>
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	797,270	(2,934)	794,336	794,171	165
Salaries of other professional staff	99,633	628	100,261	97,588	2,673
Salaries of secretarial and clerical assistants	52,324		52,324	52,300	24
Other Salaries	42,769	(12,625)	30,144	30,057	\$87
Salaries of Facilitators, Math & Literacy	132,343	(20,675)	111,668	110,657	1,011
Purchased prof. and educational services	505,393	71,649	577,042	576,625	417
Other purchased services (400-500)	24,700	(10,000)	14,700	11,909	2,791
Supplies and materials	138,000	(4,000)	134,000	132,504	1,496
Other Objects	8,800	(2,900)	5,900	5,844	56
<b>Total Undst. Expend. - Improvement of Instr. Services</b>	<b>1,801,232</b>	<b>19,143</b>	<b>1,820,375</b>	<b>1,811,655</b>	<b>8,720</b>
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	168,073	635	168,708	168,668	40
Supplies and materials	285,000	5,331	290,331	289,091	1,240
<b>Total Undst. Expend. - Educ. Media Serv./Sch. Library</b>	<b>453,073</b>	<b>5,966</b>	<b>459,039</b>	<b>457,759</b>	<b>1,280</b>
Undist. Expend. - Instructional Staff Training					
Salaries of other professional staff	16,251	2,490	18,741	18,741	
Purchased prof. and educational services	1,000	23,100	24,100	20,392	3,708
Other purchased services (400-500)	37,000	(37,000)			
<b>Total Undst. Expend. - Instructional Staff Training</b>	<b>54,251</b>	<b>(11,410)</b>	<b>42,841</b>	<b>39,133</b>	<b>3,708</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	\$ 235,041	\$ (7,663)	\$ 227,378	\$ 217,546	\$ 9,832
Legal services	150,000	(21,736)	128,264	123,013	5,251
Audit fees	34,500		34,500	34,500	
Architectural/Engineering Services	25,000	27,105	52,105	47,785	4,320
Other purchased professional services	19,040	(8,731)	10,309	10,309	
Communications / telephone	280,000	(50,690)	229,310	222,286	7,024
BOE Other Purchased Services	1,500		1,500	743	757
Other purchased services (400-500)	61,000	(6,417)	54,583	42,899	11,684
General supplies	17,000	(12,365)	4,635	4,635	
BOE In-House Training/Meeting Supplies	9,000	500	9,500	3,139	6,361
Miscellaneous expenditures	8,500	(5,088)	3,412	2,967	445
BOE Membership Dues and Fees	29,000	(1,106)	27,894	23,236	4,658
<b>Total Undst. Expend. - Supp. Serv. General Admin.</b>	<b>869,581</b>	<b>(86,191)</b>	<b>783,390</b>	<b>733,058</b>	<b>50,332</b>
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	1,364,748	24,835	1,389,583	1,389,542	41
Salaries of secretarial and clerical assistants	556,252	14,437	570,689	569,539	1,150
Other purchased services (400-500)	16,450	(13,450)	3,000	941	2,059
Supplies and materials	334,300	(242,986)	91,314	89,238	2,076
Other Objects	22,300	(536)	21,764	21,489	275
<b>Total Undst. Expend. - Supp. Serv. School Admin.</b>	<b>2,294,050</b>	<b>(217,700)</b>	<b>2,076,350</b>	<b>2,070,749</b>	<b>5,601</b>
Undist. Expend. - Central Services					
Salaries	797,176		797,176	786,586	10,590
Misc. Purchased services	46,500	82	46,582	42,556	4,026
Supplies and materials	77,700	(1,982)	75,718	71,542	4,176
Miscellaneous Expenditures	5,000		5,000	4,435	565
<b>Total Undst. Expend. - Central Services</b>	<b>926,376</b>	<b>(1,900)</b>	<b>924,476</b>	<b>905,119</b>	<b>19,357</b>
Undist. Expend. - Admin Info Technology					
Purchased Technical Services	421,549	(13,987)	407,562	407,562	-
Other purchased services (400-500)	5,500	(4,339)	1,161	854	307
Supplies and materials	280,000	(142,282)	137,718	137,582	136
<b>Total Undst. Expend. - Admin Info Technology</b>	<b>707,049</b>	<b>(160,608)</b>	<b>546,441</b>	<b>545,998</b>	<b>443</b>
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	473,337	(76,715)	396,622	396,216	406
Cleaning, repair, and maintenance services	275,000	168,987	443,987	443,015	972
General supplies	200,000	31,500	231,500	231,274	226
<b>Total Undst. Expend. - Required Maint. Sch. Facilities</b>	<b>948,337</b>	<b>123,772</b>	<b>1,072,109</b>	<b>1,070,505</b>	<b>1,604</b>
Undist. Expend. - Custodial Services					
Salaries of Non-Instructional Aides	70,317	4,492	74,809	73,833	976
Purchased professional & tech. services	2,387,346	112,890	2,500,236	2,499,673	563
Other purchased property services	26,000	(2,519)	23,481	23,408	73
Insurance	315,100	16,658	331,758	331,200	558
General supplies	115,000	(16,904)	98,096	97,978	118
Energy (Natural Gas)	300,000	(59,617)	240,383	240,302	81
Energy (Electricity)	1,140,000	(36,090)	1,103,910	1,103,910	
<b>Total Undst. Expend. - Custodial Services</b>	<b>4,353,763</b>	<b>18,910</b>	<b>4,372,673</b>	<b>4,370,304</b>	<b>2,369</b>
Undist. Expend. - Care & Upkeep of Grounds					
Purchased professional & tech. services	7,500	(7,500)			
Cleaning, repair, and maintenance services	25,000	(10,000)	15,000	14,961	39
General supplies	60,000		60,000	59,970	30
<b>Total Undst. Expend. - Care &amp; Upkeep of Grounds</b>	<b>92,500</b>	<b>(17,500)</b>	<b>75,000</b>	<b>74,931</b>	<b>69</b>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Security					
Salaries	\$ 72,634	\$ 7,538	\$ 80,172	\$ 78,699	\$ 1,473
Purchased professional & tech. services	254,823	(74,000)	180,823	178,179	2,644
Cleaning, repair, and maintenance services	25,000	(5,716)	19,284	18,993	291
General supplies	40,431	(21,184)	19,247	19,159	88
Total Undst. Expend. - Security	<u>392,888</u>	<u>(93,362)</u>	<u>299,526</u>	<u>295,030</u>	<u>4,496</u>
Total Undst. Expend. - Oper. & Maint. of Plant Services	<u>5,787,488</u>	<u>31,820</u>	<u>5,819,308</u>	<u>5,810,770</u>	<u>8,538</u>
Undist. Expend. - Student Trans. Services					
Salaries for Non-Instructional Aides	35,337	5,622	40,959	40,280	679
Salaries for pupil trans (bet home & sch) - reg ed.	124,888	200	125,088	125,088	
Salaries for pupil trans (bet home & sch) - spl. ed.	302,677	140,587	443,264	443,202	62
Salaries for pupil trans (other than bet home & sch)	43,259	72,897	116,156	115,896	260
Cleaning, repair, and maintenance services	50,000	21,845	71,845	71,841	4
Contr. serv. (bet. home & sch.) - vendors	1,497,620	(824)	1,496,796	1,496,796	
Contr. serv. (other than bet. home & sch.) - vendors	91,100	(53,211)	37,889	26,336	11,553
Contr. serv. (sp ed stds) - vendors	413,851	102,988	516,839	516,838	1
Contr. serv. (sp ed stds) - joint agreements	75,000	106,694	181,694	181,613	81
Contr. serv. Aid in Lieu Pymts - Non Public	109,000	(16,900)	92,100	92,040	60
Misc. purchased services - transportation	3,000	(1,785)	1,215	1,215	
Supplies and materials	8,000	(4,477)	3,523	3,523	
Total Undst. Expend. - Student Trans. Services	<u>2,753,732</u>	<u>373,636</u>	<u>3,127,368</u>	<u>3,114,668</u>	<u>12,700</u>
Regular Programs - Instruction - Employee Benefits					
Social security contributions	360,000	131,215	491,215	483,541	7,674
Other retirement contributions - PERS	388,450	(16,000)	372,450	372,216	234
Unemployment Compensation					
Workmen's Compensation	312,500	(8,500)	304,000	303,174	826
Health benefits	7,986,597	(102,685)	7,883,912	7,880,797	3,115
Tuition reimbursement	90,000	(16,733)	73,267	73,267	
Unused Sick Payment to Terminated/Retired Staff					
Other employee benefits	38,449	136,233	174,682	174,662	20
Total Regular Programs - Instruction	<u>9,175,996</u>	<u>123,530</u>	<u>9,299,526</u>	<u>9,287,657</u>	<u>11,869</u>
Support Services - General Administration - Employee Benefits					
Social security contributions	90,000	(90,000)			
Workmen's Compensation	1,500	(1,500)			
Health benefits	491,195	(491,195)			
Tuition reimbursement	5,000	(5,000)			
Unused Sick Payment to Terminated/Retired Staff	111,094	(111,094)			
Total Other Support Services	<u>698,789</u>	<u>(698,789)</u>			
Total Allocated Benefits	<u>9,874,785</u>	<u>(575,259)</u>	<u>9,299,526</u>	<u>9,287,657</u>	<u>11,869</u>
On-behalf TPAF Pension Contributions (non-budgeted)				5,027,455	(5,027,455)
On-behalf TPAF post retirement (non-budgeted)				2,280,446	(2,280,446)
On-behalf TPAF-LTDI (non-budgeted)				3,404	(3,404)
Reimbursed TPAF social security contributions (non-budgeted)				2,046,479	(2,046,479)
Total Undistributed Expenditures - TPAF				<u>9,357,784</u>	<u>(9,357,784)</u>
Total Undistributed Expenditures	<u>\$ 34,958,100</u>	<u>\$ 795,637</u>	<u>\$ 35,753,737</u>	<u>\$ 44,979,016</u>	<u>\$ (9,225,279)</u>
Total General Current Expense	<u>\$ 63,206,880</u>	<u>\$ (223,457)</u>	<u>\$ 62,983,423</u>	<u>\$ 72,152,912</u>	<u>\$ (9,169,489)</u>

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

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**BURLINGTON TOWNSHIP BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2019**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Grades 9-12	\$ 25,000	\$ 27,090	\$ 52,090	\$ 51,974	\$ 116
Undistributed Expenditures - Required Maint.	135,000	149,502	284,502	245,026	39,476
Undistributed Expenditures - Security		13,428	13,428		13,428
<b>Total Equipment</b>	<u>160,000</u>	<u>190,020</u>	<u>350,020</u>	<u>297,000</u>	<u>53,020</u>
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA funding	163,860		163,860	163,860	
<b>Total Facilities Acquisition and Construction Services</b>	<u>163,860</u>		<u>163,860</u>	<u>163,860</u>	
<b>Total Capital Outlay</b>	<u>323,860</u>	<u>190,020</u>	<u>513,880</u>	<u>460,860</u>	<u>53,020</u>
Transfer of Funds to Charter Schools	20,196	86,065	106,261	106,261	
<b>Total Expenditures</b>	<u>63,550,936</u>	<u>52,628</u>	<u>63,603,564</u>	<u>72,720,033</u>	<u>\$ (9,116,469)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(1,755,574)</u>	<u>(52,628)</u>	<u>(1,808,202)</u>	104,586	1,912,788
Other Financing Sources(Uses):					
<b>Total Other Financing Sources</b>					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(1,755,574)	(52,628)	(1,808,202)	104,586	1,912,788
Fund Balance, July 1	<u>5,986,318</u>		<u>5,986,318</u>	<u>5,986,318</u>	
Fund Balance, June 30	<u>\$ 4,230,744</u>	<u>\$ (52,628)</u>	<u>\$ 4,178,116</u>	<u>\$ 6,090,904</u>	<u>\$ 1,912,788</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Maintenance Reserve				\$ 1,458,800	
Capital Reserve Account				1,864,556	
Assigned Fund Balance:					
Year-end Encumbrances				52,628	
Designated for Subsequent Year's Expenditures				1,182,974	
Unassigned Fund Balance				<u>1,531,946</u>	
				6,090,904	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(1,805,493)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,285,411</u>	

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

**BURLINGTON SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 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	\$ 815,750	\$ -	\$ 815,750	\$ 289,332	\$ (526,418)
State sources	39,989		39,989	39,989	
Federal sources	<u>1,386,913</u>		<u>1,386,913</u>	<u>1,335,237</u>	<u>(51,676)</u>
Total revenues	<u>2,242,652</u>		<u>2,242,652</u>	<u>1,664,558</u>	<u>(578,094)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	377,413	(12,279)	365,134	340,741	24,393
Purchased professional - tech. services	40,220	-	40,220	38,658	1,562
Tuition	826,130	-	826,130	826,130	
General supplies	82,187	7,338	89,525	55,862	33,663
Textbooks	<u>6,034</u>		<u>6,034</u>	<u>6,034</u>	
Total instruction	<u>1,331,984</u>	<u>(4,941)</u>	<u>1,327,043</u>	<u>1,267,425</u>	<u>59,618</u>
Support services:					
Salaries	2,144		2,144	2,144	
Personal services - employee benefits	63,884	5,459	69,343	67,916	1,427
Purchased professional - educ. services	33,955		33,955	33,955	
Purchased professional - tech. services	5,000	1,051	6,051	4,698	1,353
Other purchases services	10,000	(1,119)	8,881	5,781	3,100
General supplies	<u>781,685</u>		<u>781,685</u>	<u>269,089</u>	<u>512,596</u>
Total support services	<u>896,668</u>	<u>5,391</u>	<u>902,059</u>	<u>383,583</u>	<u>518,476</u>
Facilities acquisition and construction services:					
Instructional equipment	<u>14,000</u>	<u>(450)</u>	<u>13,550</u>	<u>13,550</u>	
Total facilities acq. and const. services	<u>14,000</u>	<u>(450)</u>	<u>13,550</u>	<u>13,550</u>	
Total expenditures	<u>2,242,652</u>		<u>2,242,652</u>	<u>1,664,558</u>	<u>578,094</u>
Total outflows	<u>2,242,652</u>		<u>2,242,652</u>	<u>1,664,558</u>	<u>578,094</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Burlington Township School District  
Notes to Required Supplementary Information  
Budgetary Comparison  
Fiscal Year Ended June 30, 2019**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 72,824,619	\$ 1,664,558
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,721,156	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,805,493)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 72,740,282</u>	<u>\$ 1,664,558</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 72,720,033	\$ 1,664,558
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 72,720,033</u>	<u>\$ 1,664,558</u>

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



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees Retirement System**  
**Last 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)	0.0350571118%	0.0354646385%	0.0357718493%	0.0359487690%	0.0465927608%	0.0493936415%
District's proportionate share of the net pension liability (asset)	\$ 6,902,571	\$ 8,255,601	\$ 10,594,596	\$ 8,069,778	\$ 8,723,439	\$ 9,440,106
District's covered-employee payroll	2,489,563	2,428,858	2,399,955	2,400,251	2,432,574	2,428,688
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	277.26%	339.90%	441.45%	336.21%	358.61%	388.69%
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 the fiscal year ended June 30, 2015.

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

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 333,415	\$ 348,705	\$ 328,542	\$ 317,792	\$ 309,063	\$ 384,104
Contributions in relation to the contractually required contributions	<u>(333,415)</u>	<u>(348,705)</u>	<u>(331,074)</u>	<u>(317,792)</u>	<u>(309,063)</u>	<u>(384,104)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,532)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	2,489,563	2,428,858	2,399,955	2,400,251	2,432,574	2,428,688
Contributions as a percentage of covered-employee payroll	13.39%	14.36%	13.69%	13.24%	12.71%	15.82%

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last 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)	0.2439661007%	0.2442348240%	0.2417216061%	0.2451435951%	0.2468446315%	0.2392690707%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 155,205,993</u>	<u>\$ 164,671,925</u>	<u>\$ 190,153,606</u>	<u>\$ 154,941,220</u>	<u>\$ 131,930,422</u>	<u>\$ 120,924,706</u>
<b>Total</b>	<u><u>\$ 155,205,993</u></u>	<u><u>\$ 164,671,925</u></u>	<u><u>\$ 190,153,606</u></u>	<u><u>\$ 154,941,220</u></u>	<u><u>\$ 131,930,422</u></u>	<u><u>\$ 120,924,706</u></u>
District's covered-employee payroll	27,963,154	27,127,442	25,865,375	24,975,921	24,681,882	24,642,454
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	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 the fiscal year ended June 30, 2015.

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

	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.22%	0.22%
District's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	<u>99,803,736</u>	<u>115,801,625</u>
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 99,803,736</u>	<u>\$ 115,801,625</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%
	June 30, 2019	June 30, 2018
<b>Total OPEB Liability</b>		
Service Cost	\$ 4,507,399	\$ 5,443,504
Interest	4,261,350	3,681,243
Difference between expected and actual experiences	(10,737,179)	
Changes of assumptions	(11,452,978)	(15,745,241)
Member Contributions	92,235	98,766
Benefit payments	<u>(2,668,716)</u>	<u>(2,682,211)</u>
<b>Net Change in total OPEB Liability</b>	(15,997,889)	(9,203,939)
<b>Total OPEB Liability - beginning</b>	<u>115,801,625</u>	<u>125,005,564</u>
<b>Total OPEB Liability - ending</b>	<u>\$ 99,803,736</u>	<u>\$ 115,801,625</u>
District's covered-employee payroll	30,452,717	29,556,300
Total OPEB Liability as a percentage of covered-employee payroll	327.73%	391.80%

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

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

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

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Brought Forward (Exh. E-1D)	Totals
<b>REVENUES:</b>				
Local sources	\$ -	\$ 19,821	\$ 269,511	\$ 289,332
State sources	-	39,989	-	39,989
Federal sources	1,335,237	-	-	1,335,237
<b>Total Revenues</b>	<b>1,335,237</b>	<b>59,810</b>	<b>269,511</b>	<b>1,664,558</b>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries of teachers	340,741	-	-	340,741
Purchased professional and technical services	38,658	-	-	38,658
Tuition	826,130	-	-	826,130
Textbook	-	6,034	-	6,034
General supplies	35,619	7,136	13,107	55,862
<b>Total instruction</b>	<b>1,241,148</b>	<b>13,170</b>	<b>13,107</b>	<b>1,267,425</b>
Support services:				
Salaries	2,144	-	-	2,144
Personal services-employee benefits	67,916	-	-	67,916
Purchased professional and technical services	4,698	-	-	4,698
Purchased professional and educational services	-	33,955	-	33,955
Other purchased services	5,781	-	-	5,781
Supplies	-	12,685	256,404	269,089
<b>Total support services</b>	<b>80,539</b>	<b>46,640</b>	<b>256,404</b>	<b>383,583</b>
Facilities acquisition and const. serv.:				
Instructional equipment	13,550	-	-	13,550
<b>Total facilities acquisition and const. serv.</b>	<b>13,550</b>	<b>-</b>	<b>-</b>	<b>13,550</b>
<b>Total Expenditures</b>	<b>1,335,237</b>	<b>59,810</b>	<b>269,511</b>	<b>1,664,558</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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

	E.S.E.A. as amended by No Child Left Behind (N.C.L.B.)				Individuals with Disabilities Act (IDEA)		Perkins Grant	Carried Forward (Exh. E-1A)
	Title I	Title IIA	Title III	Title III - Immigrant	Title IV	Basic		
<b>REVENUES:</b>								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources								-
Federal sources	337,650	73,713	19,602	10,577	16,633	826,130	29,220	21,712
Total Revenues	337,650	73,713	19,602	10,577	16,633	826,130	29,220	21,712
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of teachers	271,447	58,260	8,680	2,354				
Purchased professional and technical services					9,438		29,220	
Tuition						826,130		
Textbooks								
General supplies	14,114	253	5,103	3,100	7,195			5,854
Total instruction	285,561	58,513	13,783	5,454	16,633	826,130	29,220	5,854
Support services:								
Salaries								2,144
Personal services-employee benefits	51,708	15,200	664	180				164
Purchased professional and technical services			3,243	1,455				
Purchased professional and educational services								
Other purchased services	381		1,912	3,488				
Supplies								
Total support services	52,089	15,200	5,819	5,123	-	-	-	2,308
Facilities acquisition and const. serv.:								
Instructional equipment								13,550
Total facilities acquisition and const. serv.:	-	-	-	-	-	-	-	13,550
Total Expenditures	337,650	73,713	19,602	10,577	16,633	826,130	29,220	21,712
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Nonpublic Textbook	Nonpublic Technology	Nonpublic Security	Nonpublic Nursing	Wellness Grant	Foundation Field Trips	Safety Grant	Totals
<b>REVENUES:</b>								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 4,320	\$ 7,136	\$ 8,365	\$ 19,821
State sources	6,034	4,068	18,150	11,737				39,989
Federal sources								-
<b>Total Revenues</b>	<u>6,034</u>	<u>4,068</u>	<u>18,150</u>	<u>11,737</u>	<u>4,320</u>	<u>7,136</u>	<u>8,365</u>	<u>59,810</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of teachers								-
Purchased professional and technical services								-
Tuition								-
Textbooks	6,034							6,034
General supplies						7,136		7,136
<b>Total instruction</b>	<u>6,034</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,136</u>	<u>-</u>	<u>13,170</u>
Support services:								
Salaries								-
Personal services-employee benefits								-
Purchased professional and educational services		4,068	18,150	11,737				33,955
Purchased professional and technical services								-
Supplies					4,320		8,365	12,685
<b>Total support services</b>	<u>-</u>	<u>4,068</u>	<u>18,150</u>	<u>11,737</u>	<u>4,320</u>	<u>-</u>	<u>8,365</u>	<u>46,640</u>
Facilities acquisition and const. serv.:								
Instructional equipment								-
<b>Total facilities acquisition and const. serv.:</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>6,034</u>	<u>4,068</u>	<u>18,150</u>	<u>11,737</u>	<u>4,320</u>	<u>7,136</u>	<u>8,365</u>	<u>59,810</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>

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

	Exxon	Foundation YSPTO	Burl. Co. Safety Grant	Investor Bank HS	Foundation Departments	Foundation Principal/Vice	Community Day Freshman First	Totals
<b>REVENUES:</b>								
Local sources	\$ 1,000	\$ 1,906	\$ 255,404	\$ 4,343	\$ 1,234	\$ 331	\$ 5,293	\$ 269,511
State sources								-
Federal sources								-
Total Revenues	<u>1,000</u>	<u>1,906</u>	<u>255,404</u>	<u>4,343</u>	<u>1,234</u>	<u>331</u>	<u>5,293</u>	<u>269,511</u>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of teachers								-
Purchased professional and technical services								-
Tuition								-
Textbooks								-
General supplies		1,906		4,343	1,234	331	5,293	13,107
Total instruction	-	<u>1,906</u>	-	<u>4,343</u>	<u>1,234</u>	<u>331</u>	<u>5,293</u>	<u>13,107</u>
Support services:								
Salaries								-
Personal services-employee benefits								-
Purchased professional and educational services								-
Purchased professional and technical services								-
Supplies	1,000		255,404					256,404
Total support services	<u>1,000</u>	-	<u>255,404</u>	-	-	-	-	<u>256,404</u>
Facilities acquisition and const. serv.:								
Instructional equipment								-
Total facilities acquisition and const. serv.:	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,000</u>	<u>1,906</u>	<u>255,404</u>	<u>4,343</u>	<u>1,234</u>	<u>331</u>	<u>5,293</u>	<u>269,511</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>

Capital Projects Fund  
Detail Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budgetary Basis**  
**For the Fiscal Year ended June 30, 2019**

**Revenues and Other Financing Sources:**

Interest	\$ 12,545
Serial Bond Proceeds	-
Total revenues and other financing sources	12,545

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

Purchased professional services	129,530
Construction services	1,734,848
Transfer to Debt Service Fund	12,545
Transfer to Capital Reserve	-
Total expenditures and other financing (uses)	1,876,923

Excess (deficiency) or revenues over (under) expenditures	(1,864,378)
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Fund Balance - July 1, 2018	2,643,864
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Fund Balance - June 30, 2019	\$ 779,486
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**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**High School - Mechanical and Electrical Upgrades, Security System, Window Replacements**  
**From Inception and for the Fiscal Year ended June 30, 2019**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 809,471	\$ -	\$ 809,471	\$ 809,471
Transfer from capital reserve	1,795,591		1,795,591	1,795,591
Total revenues	2,605,062		2,605,062	2,605,062
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	161,833		161,833	161,833
Construction services	2,421,161	12,000	2,433,161	2,433,161
	2,582,994	12,000	2,594,994	2,594,994
Excess (deficiency) or revenues over (under) expenditures	\$ 22,068	\$ (12,000)	\$ 10,068	\$ 10,068
<b>Additional project information:</b>				
Project Number	#0620-010-14-1001			
Grant Date	06/20/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,634,562			
Additional Authorized Cost	\$ 970,500			
Revised Authorized Cost	\$ 2,605,062			
Percentage Increase over Original Authorized Cost	5.00%			
Percentage Completion	0.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Hopkins School - Mechanical Upgrades, Security Upgrades, Window Replacements, Communications**  
**From Inception and for the Fiscal Year ended June 30, 2019**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 246,036	\$ -	\$ 246,036	\$ 246,036
Transfer from capital reserve	250,784		250,784	250,784
Total revenues	496,820		496,820	496,820
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	61,755		61,755	61,755
Construction services	246,990	44,956	291,946	291,946
	308,745	44,956	353,701	353,701
Excess (deficiency) or revenues over (under) expenditures	\$ 188,075	\$ (44,956)	\$ 143,119	\$ 143,119
<b>Additional project information:</b>				
Project Number	#0620-025-14-1002			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 496,820			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 496,820			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**BTMS @ Springside School - Security Upgrades and Communications**  
**From Inception and for the Fiscal Year ended June 30, 2019**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 97,064	\$ -	\$ 97,064	\$ 97,064
Transfer from capital reserve	98,936		98,936	98,936
Total revenues	196,000		196,000	196,000
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	14,450		14,450	14,450
Construction services		40,474	40,474	40,474
	14,450	40,474	54,924	54,924
Excess (deficiency) or revenues over (under) expenditures	\$ 181,550	\$ (40,474)	\$ 141,076	\$ 141,076
<b>Additional project information:</b>				
Project Number	#0620-051-14-1005			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 196,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 196,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	5.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Fountain Woods School - Security Upgrades and Communications**  
**From Inception and for the Fiscal Year ended June 30, 2019**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 74,283	\$ -	\$ 74,283	\$ 74,283
Transfer from capital reserve	75,717		75,717	75,717
Total revenues	150,000		150,000	150,000
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	11,475		11,475	11,475
Construction services		41,915	41,915	41,915
	11,475	41,915	53,390	53,390
Excess (deficiency) or revenues over (under) expenditures	\$ 138,525	\$ (41,915)	\$ 96,610	\$ 96,610
<b>Additional project information:</b>				
Project Number	#0620-037-14-1004			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 150,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 150,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	5.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**B. Bernice Young School - Exterior Closure and HVAC**  
**From Inception and for the Fiscal Year ended June 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SDA Grant	\$ 1,104,619	\$ -	\$ 1,104,619	\$ 1,104,619
Transfer from capital reserve	1,125,934		1,125,934	1,125,934
Total revenues	<u>2,230,553</u>	<u>                    </u>	<u>2,230,553</u>	<u>2,230,553</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	203,488		203,488	203,488
Construction services	1,979,102	20,168	1,999,270	1,999,270
	<u>2,182,590</u>	<u>20,168</u>	<u>2,202,758</u>	<u>2,202,758</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 47,963</u>	<u>\$ (20,168)</u>	<u>\$ 27,795</u>	<u>\$ 27,795</u>
<b>Additional project information:</b>				
Project Number	#0620-030-14-1003			
Grant Date	05/02/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 2,230,553			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 2,230,553			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Various Improvements to School Facilities**  
**From Inception and for the Fiscal Year ended June 30, 2019**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
Bond Proceeds	\$ 10,114,000	\$ -	\$ 10,114,000	\$ 10,114,000
Total revenues	10,114,000		10,114,000	10,114,000
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	1,376,377	129,530	1,505,907	1,505,907
Construction services	6,671,940	1,575,335	8,247,275	8,247,275
	8,048,317	1,704,865	9,753,182	9,753,182
Excess (deficiency) or revenues over (under) expenditures	\$ 2,065,683	\$ (1,704,865)	\$ 360,818	\$ 360,818
<b>Additional project information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	12/08/15			
Bonds Authorized	\$ 10,114,000			
Bonds Issued	N/A			
Original Authorized Cost	\$ 10,114,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 10,114,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/15			
Revised target completion date	N/A			

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
 Summary Statement of Project Expenditures  
 Year Ended June 30, 2019

Issue/Project Title	Original Date	Appropriations	Expenditures to Date		Transfer to Capital Reserve	Unexpended Balance
			Prior Years	Current Year		
High School - Mechanical and Electrical Upgrades Security System and Windows	6/20/14	\$ 2,605,062	\$ 2,582,994	\$ 12,000	\$ -	\$ 10,068
Hopkins School - Mechanical Upgrades, Security Upgrades Windows and Communications	5/2/14	496,820	308,745	44,956		143,119
BTMS @ Springside School - Security Upgrades and Communications	5/2/14	196,000	14,450	40,474		141,076
Fountain Woods - Security Upgrades and Communications	5/2/14	150,000	11,475	41,915		96,610
Young School - Exterior Closure and HVAC	5/2/14	2,230,553	2,182,590	20,168		27,795
Various Improvements to School Facilities	12/8/15	<u>10,114,000</u>	<u>8,048,317</u>	<u>1,704,865</u>		<u>360,818</u>
Total		<u>\$ 15,792,435</u>	<u>\$ 13,148,571</u>	<u>\$ 1,864,378</u>	<u>\$ -</u>	<u>\$ 779,486</u>

Proprietary Funds  
Detail Statements

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Net Position  
as of June 30, 2019

	Food Service	Performing Arts Center	Total
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 154,629	\$ 50,085	\$ 204,714
Accounts receivable:			
State	1,004		1,004
Federal	34,844		34,844
Other	171,308	1,055	172,363
Interfund	64,497	3,130	67,627
Inventories	36,321		36,321
Total current assets	462,603	54,270	516,873
Fixed assets:			
Buildings and Improvements	2,875,568	-	2,875,568
Equipment	656,221	-	656,221
Total Fixed Assets	3,531,789	-	3,531,789
Less Accumulated depreciation	(615,123)	-	(615,123)
Total fixed assets	2,916,666	-	2,916,666
Total assets	\$ 3,379,269	\$ 54,270	\$ 3,433,539
<b>LIABILITIES:</b>			
Current liabilities:			
Unearned Revenue	\$ 27,272	\$ -	\$ 27,272
Interfund payable	371,969	-	371,969
Total current liabilities	399,241	-	399,241
<b>NET POSITION:</b>			
Net investment in capital assets	2,916,666	-	2,916,666
Unrestricted	63,362	54,270	117,632
Total net position	\$ 2,980,028	\$ 54,270	\$ 3,034,298

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Revenues, Expenses and Changes in Net Position  
for the Fiscal Years ended June 30, 2019

	Food Service	Performing Arts Center	Total
<b>OPERATING REVENUES:</b>			
Local sources:			
Daily sales-reimbursable programs	\$ 539,154	\$ -	\$ 539,154
Total reimbursable programs	539,154	-	539,154
Daily sales-non-reimbursable programs	242,549	-	242,549
Special functions	41,432	-	41,432
Rentals	-	32,185	32,185
Total non-reimbursable programs	283,981	32,185	316,166
Total operating revenue	823,135	32,185	855,320
<b>OPERATING EXPENSES:</b>			
Salaries and Wages	528,786	15,955	544,741
Employee Benefits	111,558	-	111,558
Direct expenses	3,258	-	3,258
Supplies and materials	42,989	24,233	67,222
Depreciation	92,533	-	92,533
Management fee	26,980	-	26,980
Cost of Sales - reimbursable programs	537,524	-	537,524
Cost of Sales - nonreimbursable programs	142,251	-	142,251
Other	6,077	7,301	13,378
Total operating expenses	1,491,956	47,489	1,539,445
Operating income (loss)	(668,821)	(15,304)	(684,125)
Non-operating revenues:			
State sources:			
State School Lunch Program	15,458	-	15,458
Federal sources:			
National School Lunch Program	443,757	-	443,757
National School Breakfast Program	74,707	-	74,707
U.S.D.A. commodities	73,521	-	73,521
Interest revenue	3,167	745	3,912
Total non-operating revenues	610,610	745	611,355
Net Income (loss)	(58,211)	(14,559)	(72,770)
Net position - July 1	3,038,239	68,829	3,107,068
Net position - June 30	\$ 2,980,028	\$ 54,270	\$ 3,034,298

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Cash Flows  
for the Fiscal Year ended June 30, 2019

	Food Service	Performing Arts Center	Total
Cash flows from operating activities:			
Cash receipts from customers	\$ 946,953	\$ 31,715	\$ 978,668
Cash payments to employees for services	(778,281)	(15,955)	(794,236)
Cash payments to suppliers for goods and services	(708,033)	(31,534)	(739,567)
Net cash used by operating activities	<u>(539,361)</u>	<u>(15,774)</u>	<u>(555,135)</u>
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements	<u>534,251</u>	<u>-</u>	<u>534,251</u>
Net cash provided by noncapital financing activities	<u>534,251</u>	<u>-</u>	<u>534,251</u>
Cash flows from capital financing activities:			
Purchases of fixed assets	<u>-</u>	<u>-</u>	<u>-</u>
Net cash used by capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest on investments	<u>3,167</u>	<u>745</u>	<u>3,912</u>
Net cash provided by investing activities	<u>3,167</u>	<u>745</u>	<u>3,912</u>
Net increase (decrease) in cash and cash equivalents	(1,943)	(15,029)	(16,972)
Cash and cash equivalents, July 1	<u>156,572</u>	<u>65,114</u>	<u>221,686</u>
Cash and cash equivalents, June 30	<u>\$ 154,629</u>	<u>\$ 50,085</u>	<u>\$ 204,714</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (668,821)	\$ (15,304)	\$ (684,125)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	92,533	-	92,533
Federal commodities	73,521	-	73,521
Change in assets and liabilities:			
(Increase)/decrease in inventory	(4,354)	-	(4,354)
(Increase)/decrease in accounts receivable	(34,317)	(470)	(34,787)
Increase/(decrease) in unearned revenue	2,077	-	2,077
Net cash used by operating activities	<u>\$ (539,361)</u>	<u>\$ (15,774)</u>	<u>\$ (555,135)</u>



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
 Statement of Net Position  
 as of June 30, 2019

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

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
Statement of Revenues, Expenses and Changes in Net Position  
for the Fiscal Years ended June 30, 2019

	<u><b>Governmental Activites - Internal Service Technology Service</b></u>
OPERATING REVENUES:	
Local sources:	
Shared Service Agreements	<u>\$ 350,735</u>
Total operating revenue	<u>350,735</u>
OPERATING EXPENSES:	
Technology Services	<u>350,735</u>
Total operating expenses	<u>350,735</u>
Operating income (loss)	<u>-</u>
Net Income (loss)	-
Net position - July 1	<u>-</u>
Net position - June 30	<u><u>\$ -</u></u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Internal Service Fund**  
 Statement of Cash Flows  
 for the Fiscal Year ended June 30, 2019

	<u>Governmental Activites - Internal Service Technology Service</u>
Cash flows from operating activities:	
Cash receipts from customers	\$ 350,735
Cash payments to suppliers for goods and services	<u>(350,735)</u>
Net cash used by operating activities	<u>-</u>
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents, July 1	<u>-</u>
Cash and cash equivalents, June 30	<u><u>\$ -</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ -
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:	
Change in assets and liabilities:	
(Increase)/decrease in accounts receivable	-
Increase/(decrease) in interfund payable	<u>-</u>
Net cash used by operating activities	<u><u>\$ -</u></u>

Fiduciary Funds  
Detail Statements

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

	Agency Funds			Employee Benefit Trust Funds	Total
	Student Activity	Other Trust	Payroll	Unemployment Compensation Insurance Fund	
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 505,006	\$ 31,138	\$ 271,685	\$ 732,120	\$ 1,539,949
Interfund receivable	-	51,092	35,266	-	86,358
<b>TOTAL ASSETS</b>	<b>\$ 505,006</b>	<b>\$ 82,230</b>	<b>\$ 306,951</b>	<b>\$ 732,120</b>	<b>\$ 1,626,307</b>
<b>LIABILITIES</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 446	\$ 446
Payroll deductions and withholdings	-	-	291,234	-	291,234
Interfund payable	-	41,085	15,717	-	56,802
Other trust liabilities	-	41,145	-	-	41,145
Due to student groups	505,006	-	-	-	505,006
<b>Total liabilities</b>	<b>505,006</b>	<b>82,230</b>	<b>306,951</b>	<b>446</b>	<b>894,633</b>
<b>NET POSITION</b>					
Reserved for unemployment claims and other purposes	-	-	-	731,674	731,674
<b>Total net position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 731,674</b>	<b>\$ 731,674</b>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Fiduciary Fund**  
 Comparative Statement of Changes in Fiduciary Net Position  
 for the Fiscal Year Ended June 30, 2019

	Trust Funds Unemployment Compensation Insurance Fund	Total
<b>REVENUES:</b>		
Local sources:		
Employee contributions	\$ 50,790	\$ 50,790
Interest on Investments	9,903	9,903
	60,693	60,693
<b>Total Revenues</b>	<b>60,693</b>	<b>60,693</b>
<b>EXPENDITURES:</b>		
Current Expense:		
Undistributed Expenditures:		
Unemployment claims	3,713	3,713
	3,713	3,713
<b>Total Expenditures</b>	<b>3,713</b>	<b>3,713</b>
Excess (deficiency) of revenues over (under) expenditures)	56,980	56,980
Net Position July 1	674,694	674,694
Net Position June 30	\$ 731,674	\$ 731,674

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Student Activity Agency Fund**  
Schedule of Receipts and Disbursements  
for the Fiscal Year Ended June 30, 2019

	<u>Balance June 30, 2018</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2019</u>
Elementary Schools:				
Fountain Woods	\$ 36,415	\$ 23,794	\$ 25,669	\$ 34,540
Renaissance	11,056	21,006	23,689	8,373
Young School	9,143	8,995	3,577	14,561
Young School PBSIS	1,042	2,451	3,493	-
Total Elementary Schools	<u>57,656</u>	<u>56,246</u>	<u>56,428</u>	<u>57,474</u>
Middle Schools:				
Hopkins Middle School	83,217	163,893	169,410	77,700
Total Middle Schools	<u>83,217</u>	<u>163,893</u>	<u>169,410</u>	<u>77,700</u>
High School:				
High School	376,515	812,498	819,181	369,832
Total High School	<u>376,515</u>	<u>812,498</u>	<u>819,181</u>	<u>369,832</u>
Total	<u>\$ 517,388</u>	<u>\$ 1,032,637</u>	<u>\$ 1,045,019</u>	<u>\$ 505,006</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Payroll Agency Fund**  
Schedule of Receipts and Disbursements  
for the Fiscal Year Ended June 30, 2019

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 297,114	\$ 37,150,877	\$ 37,176,306	\$ 271,685
Interfund receivable	-	35,266	-	35,266
<b>Total assets</b>	<b>\$ 297,114</b>	<b>\$ 37,186,143</b>	<b>\$ 37,176,306</b>	<b>\$ 306,951</b>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 286,995	\$ 16,674,255	\$ 16,670,016	\$ 291,234
Net payroll	-	20,502,893	20,502,893	-
Interfund payable	10,119	8,995	3,397	15,717
<b>Total liabilities</b>	<b>\$ 297,114</b>	<b>\$ 37,186,143</b>	<b>\$ 37,176,306</b>	<b>\$ 306,951</b>



**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Other Trust Agency Fund**  
Schedule of Receipts and Disbursements  
for the Fiscal Year Ended June 30, 2019

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	<u>Balance</u> <u>June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2019</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ -	\$ 40,120	\$ 8,982	\$ 31,138
Interfund receivable	<u>58,005</u>	<u>965</u>	<u>7,878</u>	<u>51,092</u>
<b>Total assets</b>	<b><u>\$ 58,005</u></b>	<b><u>\$ 41,085</u></b>	<b><u>\$ 16,860</u></b>	<b><u>\$ 82,230</u></b>
 <b>LIABILITIES:</b>				
Cash overdraft	\$ 16,559	\$ -	\$ 16,559	\$ -
Interfund payable		41,085		41,085
Other trust agency liabilities	<u>41,446</u>	<u>-</u>	<u>301</u>	<u>41,145</u>
<b>Total liabilities</b>	<b><u>\$ 58,005</u></b>	<b><u>\$ 41,085</u></b>	<b><u>\$ 16,860</u></b>	<b><u>\$ 82,230</u></b>

## Long-Term Debt Schedules

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
 Statement of Serial Bonds  
 June 30, 2019

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2018	Issued	Retired	Balance June 30, 2019
			Date	Amount					
Refunding Bonds	4/1/2012	\$ 13,795,000	07/15/19	\$ 1,335,000	5.00%	\$ 10,015,000	\$ -	\$ 1,290,000	\$ 8,725,000
			07/15/20	1,385,000	5.00%				
			07/15/21	1,430,000	4.00%				
			07/15/22	1,485,000	4.50%				
			07/15/23	1,540,000	4.50%				
			07/15/24	1,550,000	4.40%				
Refunding Bonds	10/3/2013	13,325,000	01/15/20	1,550,000	5.00%	3,755,000		2,205,000	1,550,000
2016 School Bonds	7/15/2016	10,114,000	7/15/2019	1,200,000	1.000%	10,114,000		600,000	9,514,000
			7/15/2020	1,200,000	1.250%				
			7/15/2021	1,200,000	1.500%				
			7/15/2022	1,180,000	1.750%				
			7/15/2023	1,155,000	2.000%				
			7/15/2024	1,180,000	2.000%				
			7/15/2025	1,200,000	2.000%				
			7/15/2026	1,199,000	2.000%				
<b>Total</b>						<u>\$ 23,884,000</u>	<u>\$ -</u>	<u>\$ 4,095,000</u>	<u>\$ 19,789,000</u>

**BURLINGTON TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**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	\$ 3,656,267	\$ -	\$ 3,656,267	\$ 3,656,267	\$ -
Total revenues - local sources	<u>3,656,267</u>	<u>-</u>	<u>3,656,267</u>	<u>3,656,267</u>	<u>-</u>
State sources:					
Debt service aid type II	1,159,511	-	1,159,511	1,159,511	-
Total revenues - state sources	<u>1,159,511</u>	<u>-</u>	<u>1,159,511</u>	<u>1,159,511</u>	<u>-</u>
Total Revenues	<u>4,815,778</u>	<u>-</u>	<u>4,815,778</u>	<u>4,815,778</u>	<u>-</u>
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest on bonds	756,230	-	756,230	756,230	-
Redemption of principal	4,095,000	-	4,095,000	4,095,000	-
Total Expenditures	<u>4,851,230</u>	<u>-</u>	<u>4,851,230</u>	<u>4,851,230</u>	<u>-</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(35,452)</u>	<u>-</u>	<u>(35,452)</u>	<u>(35,452)</u>	<u>-</u>
Other Financing Sources and (Uses):					
Transfer from Capital Projects	-	-	-	12,545	12,545
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,545</u>	<u>12,545</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(35,452)</u>	<u>-</u>	<u>(35,452)</u>	<u>(22,907)</u>	<u>12,545</u>
Fund Balance, July 1	<u>74,720</u>	<u>-</u>	<u>74,720</u>	<u>74,720</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 39,268</u>	<u>\$ -</u>	<u>\$ 39,268</u>	<u>\$ 51,813</u>	<u>\$ 12,545</u>

**Statistical Section**

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

Exhibit J-1

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 20,705,914	\$ 22,876,427	\$ 26,690,199	\$ 28,803,444	\$ 31,090,573	\$ 36,972,907	\$ 40,367,864	\$ 33,307,706	\$ 36,783,789	\$ 40,510,458
Restricted for:	-	-	-	-	-	-	-	-	-	-
Capital projects	2,523,398	3,063,652	2,232,176	2,966,623	5,683,186	3,004,047	2,026,604	9,545,718	4,496,580	2,644,042
Debt service	(839,652)	-	-	-	-	182,209	13,870	49,322	74,720	51,813
Other purposes	3,573,930	2,882,023	3,534,938	3,701,179	3,474,621	2,774,416	2,818,246	3,078,738	2,728,974	2,694,401
Unrestricted	(861,535)	(1,326,401)	(967,317)	(1,788,509)	(1,737,575)	(11,375,681)	(11,270,635)	(11,736,951)	(11,686,854)	(11,046,203)
<b>Total governmental activities net position</b>	<b>\$ 25,102,055</b>	<b>\$ 27,495,701</b>	<b>\$ 31,489,996</b>	<b>\$ 33,682,737</b>	<b>\$ 38,510,805</b>	<b>\$ 31,557,898</b>	<b>\$ 33,955,949</b>	<b>\$ 34,244,533</b>	<b>\$ 32,397,209</b>	<b>\$ 34,854,511</b>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 423,113	\$ 407,954	\$ 392,795	\$ 377,636	\$ 362,477	\$ 347,772	\$ 334,117	\$ 321,844	\$ 3,009,199	\$ 2,916,666
Unrestricted	215,713	198,898	167,290	164,406	214,916	191,016	129,597	92,505	97,869	117,632
<b>Total business-type activities net position</b>	<b>\$ 638,826</b>	<b>\$ 606,852</b>	<b>\$ 560,085</b>	<b>\$ 542,042</b>	<b>\$ 577,393</b>	<b>\$ 538,788</b>	<b>\$ 463,714</b>	<b>\$ 414,349</b>	<b>\$ 3,107,068</b>	<b>\$ 3,034,298</b>
<b>District-wide:</b>										
Net investment in capital assets	\$ 21,129,027	\$ 23,284,381	\$ 27,082,994	\$ 29,181,080	\$ 31,453,050	\$ 37,320,679	\$ 40,701,981	\$ 33,629,550	\$ 39,792,988	\$ 43,427,124
Restricted:										
Capital projects	2,523,398	3,063,652	2,232,176	2,966,623	5,683,186	3,004,047	2,026,604	9,545,718	4,496,580	2,644,042
Debt service	(839,652)	-	-	-	-	182,209	13,870	49,322	74,720	51,813
Other purposes	3,573,930	2,882,023	3,534,938	3,701,179	3,474,621	2,774,416	2,818,246	3,078,738	2,728,974	2,694,401
Unrestricted	(645,822)	(1,127,503)	(800,027)	(1,624,103)	(1,522,659)	(11,184,665)	(11,141,038)	(11,644,446)	(11,588,985)	(10,928,571)
<b>Total district net position</b>	<b>\$ 25,740,881</b>	<b>\$ 28,102,553</b>	<b>\$ 32,050,081</b>	<b>\$ 34,224,779</b>	<b>\$ 39,088,198</b>	<b>\$ 32,096,686</b>	<b>\$ 34,419,663</b>	<b>\$ 34,658,882</b>	<b>\$ 35,504,277</b>	<b>\$ 37,888,809</b>

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

**Exhibit J-2**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	\$ 19,998,369	\$ 17,473,133	\$ 17,648,544	\$ 18,587,884	\$ 18,548,395	\$ 19,079,235	\$ 19,510,826	\$ 19,835,384	\$ 20,750,514	\$ 20,478,045
Special education	6,496,898	6,928,846	7,390,064	7,859,851	6,365,974	6,556,937	6,586,368	6,857,960	7,281,816	6,582,548
Other instruction	1,809,304	1,736,065	1,819,083	1,956,105	2,067,717	2,044,938	2,096,426	2,240,798	2,188,131	2,692,241
Support Services:										
Tuition	2,236,280	2,548,267	2,939,828	2,296,865	2,228,530	2,133,509	2,492,883	2,721,679	3,262,410	4,841,975
Student & instruction related services	5,727,629	5,465,268	5,371,027	5,994,396	7,795,640	8,006,836	8,074,909	8,402,913	8,604,348	9,453,035
School administrative services	2,260,879	2,099,864	2,065,641	2,170,709	2,264,061	2,008,566	1,998,980	2,279,415	2,018,627	2,536,377
General and business administrative services	1,476,548	1,383,470	1,559,917	1,715,221	1,806,085	2,739,238	3,231,349	2,139,713	3,034,794	2,184,175
Plant operations and maintenance	11,087,692	5,250,208	4,682,876	5,494,750	6,632,987	6,770,069	6,280,321	7,744,288	9,900,494	5,616,269
Pupil transportation	2,713,136	2,566,828	2,611,623	2,662,537	2,726,822	2,847,978	2,853,287	2,832,214	2,903,921	3,425,087
Unallocated employee benefits	11,905,328	11,919,086	12,904,618	14,741,082	14,460,219	14,637,894	15,249,854	16,613,737	35,796,503	32,068,620
Special schools	-	-	-	-	-	-	-	-	-	-
Charter schools	72,937	120,663	124,018	52,122	37,196	9,035	18,393	10,005	9,197	106,261
Interest on long-term debt	1,898,026	1,759,084	1,443,649	1,523,662	908,696	870,560	745,475	745,241	717,192	432,527
Unallocated depreciation and amortization	188,552	132,853	143,678	114,186	214,399	76,577	130,504	126,795	131,204	155,209
Total governmental activities expenses	<u>67,871,578</u>	<u>59,383,635</u>	<u>60,704,566</u>	<u>65,169,370</u>	<u>66,056,721</u>	<u>67,781,372</u>	<u>69,269,575</u>	<u>72,550,142</u>	<u>96,599,151</u>	<u>90,572,369</u>
Business-type activities:										
Community Arts Center	31,846	27,648	43,668	47,437	52,367	65,689	63,499	57,789	53,569	47,489
Food Service	1,406,827	1,581,505	1,729,954	1,657,407	1,671,370	1,628,871	1,683,937	1,471,199	1,353,351	1,491,956
Total business-type activities expense	<u>1,438,673</u>	<u>1,609,153</u>	<u>1,773,622</u>	<u>1,704,844</u>	<u>1,723,737</u>	<u>1,694,560</u>	<u>1,747,436</u>	<u>1,528,988</u>	<u>1,406,920</u>	<u>1,539,445</u>
Total district expenses	<u>\$ 69,310,251</u>	<u>\$ 60,992,788</u>	<u>\$ 62,478,188</u>	<u>\$ 66,874,214</u>	<u>\$ 67,780,458</u>	<u>\$ 69,475,932</u>	<u>\$ 71,017,011</u>	<u>\$ 74,079,130</u>	<u>\$ 98,006,071</u>	<u>\$ 92,111,814</u>
<b>Program Revenues:</b>										
Governmental activities:										
Operating grants and contributions	\$ 6,434,197	\$ 6,624,272	\$ 6,410,954	\$ 7,675,389	\$ 7,057,093	\$ 6,518,042	\$ 7,394,673	\$ 9,351,983	\$ 29,611,391	\$ 25,978,361
Charges for service						653,043	833,398	232,010	478,208	245,364
Total governmental activities program revenues	<u>6,434,197</u>	<u>6,624,272</u>	<u>6,410,954</u>	<u>7,675,389</u>	<u>7,057,093</u>	<u>7,171,085</u>	<u>8,228,071</u>	<u>9,583,993</u>	<u>30,089,599</u>	<u>26,223,725</u>

(Continued)

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

**Exhibit J-2**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Business-type activities:</b>										
Charges for services:										
Performing Arts Center	\$ 36,706	\$ 49,346	\$ 30,420	\$ 46,510	\$ 40,710	\$ 60,835	\$ 41,250	\$ 39,955	\$ 30,970	\$ 32,185
Food service	1,007,202	1,085,543	1,151,603	1,072,889	1,155,350	999,327	974,981	773,464	720,104	823,135
Operating grants and contributions	399,517	438,090	542,082	566,926	562,674	595,051	655,224	629,094	601,908	607,443
Total business type activities program revenues	<u>1,443,425</u>	<u>1,572,979</u>	<u>1,724,105</u>	<u>1,686,325</u>	<u>1,758,734</u>	<u>1,655,213</u>	<u>1,671,455</u>	<u>1,442,513</u>	<u>1,352,982</u>	<u>1,462,763</u>
Total district program revenues	<u>\$ 7,877,622</u>	<u>\$ 8,197,251</u>	<u>\$ 8,135,059</u>	<u>\$ 9,361,714</u>	<u>\$ 8,815,827</u>	<u>\$ 8,826,298</u>	<u>\$ 9,899,526</u>	<u>\$ 11,026,506</u>	<u>\$ 31,442,581</u>	<u>\$ 27,686,488</u>
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (61,437,381)	\$ (52,759,363)	\$ (54,293,612)	\$ (57,493,981)	\$ (58,999,628)	\$ (60,610,287)	\$ (61,041,504)	\$ (62,966,149)	\$ (66,509,552)	\$ (64,348,644)
Business-type activities	4,752	(36,174)	(49,517)	(18,519)	34,997	(39,347)	(75,981)	(86,475)	(53,938)	(76,682)
Total district-wide net expense	<u>\$ (61,432,629)</u>	<u>\$ (52,795,537)</u>	<u>\$ (54,343,129)</u>	<u>\$ (57,512,500)</u>	<u>\$ (58,964,631)</u>	<u>\$ (60,649,634)</u>	<u>\$ (61,117,485)</u>	<u>\$ (63,052,624)</u>	<u>\$ (66,563,490)</u>	<u>\$ (64,425,326)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 32,249,821	\$ 33,393,814	\$ 34,745,745	\$ 35,829,683	\$ 37,196,328	\$ 38,033,254	\$ 38,793,919	\$ 39,569,797	\$ 40,361,193	\$ 41,168,417
Taxes levied for debt service	3,625,196	3,903,689	3,873,418	3,897,792	3,800,613	3,539,220	3,306,596	3,466,574	3,564,151	3,656,267
Unrestricted grants and contributions	15,762,374	17,467,163	19,149,798	19,476,178	21,617,556	20,482,740	20,421,926	19,857,334	19,770,577	21,116,815
Investment earnings	38,312	53,167	35,967	2,248	2,654	890	2,784	43,450	53,795	12,545
Miscellaneous income	771,371	335,176	482,979	849,601	1,210,545	669,211	914,330	317,578	912,512	851,902
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>52,447,074</u>	<u>55,153,009</u>	<u>58,287,907</u>	<u>60,055,502</u>	<u>63,827,696</u>	<u>62,725,315</u>	<u>63,439,555</u>	<u>63,254,733</u>	<u>64,662,228</u>	<u>66,805,946</u>
Business-type activities:										
Investment earnings	2,984	4,200	2,750	476	354	742	907	1,310	2,842	3,912
Miscellaneous income	-	-	-	-	-	-	-	35,800	2,743,815	-
Total business-type activities	<u>2,984</u>	<u>4,200</u>	<u>2,750</u>	<u>476</u>	<u>354</u>	<u>742</u>	<u>907</u>	<u>37,110</u>	<u>2,746,657</u>	<u>3,912</u>
Total district-wide	<u>\$ 52,450,058</u>	<u>\$ 55,157,209</u>	<u>\$ 58,290,657</u>	<u>\$ 60,055,978</u>	<u>\$ 63,828,050</u>	<u>\$ 62,726,057</u>	<u>\$ 63,440,462</u>	<u>\$ 63,291,843</u>	<u>\$ 67,408,885</u>	<u>\$ 66,809,858</u>
<b>Change in Net Position:</b>										
Governmental activities	\$ (8,990,307)	\$ 2,393,646	\$ 3,994,295	\$ 2,561,521	\$ 4,828,068	\$ 2,115,028	\$ 2,398,051	\$ 288,584	\$ (1,847,324)	\$ 2,457,302
Business-type activities	7,736	(31,974)	(46,767)	(18,043)	35,351	(38,605)	(75,074)	(49,365)	2,692,719	(72,770)
Total district-wide	<u>\$ (8,982,571)</u>	<u>\$ 2,361,672</u>	<u>\$ 3,947,528</u>	<u>\$ 2,543,478</u>	<u>\$ 4,863,419</u>	<u>\$ 2,076,423</u>	<u>\$ 2,322,977</u>	<u>\$ 239,219</u>	<u>\$ 845,395</u>	<u>\$ 2,384,532</u>



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

**Exhibit J-3**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund:</b>										
Reserved for:										
Encumbrances	\$ 221,326	\$ 161,820	\$ 48,437	\$ 151,380	\$ -	\$ 25,001	\$ 191,126	\$ 279,304	\$ -	\$ 52,627
Capital reserve	1,667,959	1,627,549	2,035,340	2,924,446	1,300,156	1,707,921	2,016,726	1,794,043	1,852,716	1,864,556
Maintenance reserve	-	200,000	546,000	946,000	946,000	946,000	946,000	1,419,000	1,446,000	1,458,800
Excess surplus	-	320,203	257,917	205,428	-	-	-	-	-	-
Excess surplus - designated for subsequent year's expenditures	3,352,604	-	322,773	257,917	205,428	-	-	-	-	-
Legally restricted										
ARRA/SEMI- Unreserved - designated for subsequent year's expenditures						21,368	-			
Unreserved - designated for subsequent year's expenditures	-	2,200,000	2,351,131	2,085,947	2,095,157	1,782,047	1,677,716	1,380,434	1,282,974	1,182,974
Unreserved	(300,778)	273,238	306,897	(44,754)	(300,651)	(481,977)	(429,709)	(205,080)	(316,528)	(273,546)
<b>Total general fund</b>	<b>\$ 4,941,111</b>	<b>\$ 4,782,810</b>	<b>\$ 5,868,495</b>	<b>\$ 6,526,364</b>	<b>\$ 4,246,090</b>	<b>\$ 4,000,360</b>	<b>\$ 4,401,859</b>	<b>\$ 4,667,701</b>	<b>\$ 4,265,162</b>	<b>\$ 4,285,411</b>
<b>All Other Governmental Funds</b>										
Reserved:										
Encumbrances	\$ -	\$ 918,630	\$ 149,493	\$ 18,971	\$ 2,373,716	\$ 463,005	\$ 3,404	\$ 4,658,200	\$ 1,861,018	\$ 562,555
Unreserved - designated for subsequent year's expenditures								13,870	35,452	39,268
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	855,439	517,473	47,343	23,206	2,009,314	833,121	9,878	3,093,475	782,846	216,931
Debt service fund	4,752	-	8,680	54,507	228,036	182,209	13,870	35,452	39,268	12,545
<b>Total all other governmental funds</b>	<b>\$ 860,191</b>	<b>\$ 1,436,103</b>	<b>\$ 205,516</b>	<b>\$ 96,684</b>	<b>\$ 4,611,066</b>	<b>\$ 1,478,335</b>	<b>\$ 27,152</b>	<b>\$ 7,800,997</b>	<b>\$ 2,718,584</b>	<b>\$ 831,299</b>

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

**Exhibit J-4**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Tax levy	\$ 35,875,017	\$ 37,297,503	\$ 38,619,163	\$ 39,727,475	\$ 40,996,941	\$ 41,572,474	\$ 42,100,515	\$ 43,036,371	\$ 43,925,344	\$ 44,824,684
Tuition charges	516,165	192,341	244,212	403,855	551,663	338,678	492,487	187,449	114,405	245,364
Transportation charges	97,481	52,842	11,255	56,806	31,509	56,438	27,988	44,561	34,735	86,271
Interest earnings	38,312	53,167	35,967	2,248	2,654	890	2,784	43,450	53,795	12,545
Miscellaneous	161,366	112,066	290,874	455,082	682,342	293,340	402,384	339,160	796,665	1,054,963
State sources	17,878,623	22,535,771	23,547,311	25,766,255	27,337,752	25,634,781	26,450,811	27,745,455	28,876,318	31,559,767
Federal sources	4,314,307	1,533,591	1,950,079	1,319,170	1,281,928	1,346,756	1,357,259	1,442,280	1,432,011	1,449,569
Total revenue	<u>58,881,271</u>	<u>61,777,281</u>	<u>64,698,861</u>	<u>67,730,891</u>	<u>70,884,789</u>	<u>69,243,357</u>	<u>70,834,228</u>	<u>72,838,726</u>	<u>75,233,273</u>	<u>79,233,163</u>
<b>Expenditures</b>										
Instruction										
Regular Instruction	17,968,505	15,879,162	16,156,784	16,891,831	16,803,273	16,890,650	17,543,878	18,001,937	18,807,712	18,340,402
Special education instruction	6,496,898	6,928,846	7,390,064	7,859,851	6,365,974	6,556,937	6,586,368	6,857,960	7,281,816	6,582,548
Other special instruction	1,809,304	1,736,065	1,819,083	1,956,105	2,067,717	2,044,938	2,096,426	2,240,798	2,188,131	2,692,241
Other instruction	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	2,236,280	2,548,267	2,939,828	2,296,865	2,228,530	2,133,509	2,492,883	2,721,679	3,262,410	4,841,975
Student & instruction related services	5,727,629	5,465,268	5,371,027	5,994,396	7,795,640	8,006,836	8,074,909	8,402,913	8,604,348	9,453,035
School administrative services	1,953,319	1,903,703	1,849,768	1,942,336	2,024,011	2,008,566	1,998,980	2,025,825	2,018,627	2,070,749
General and business admin. services	1,476,548	1,383,470	1,559,917	1,715,221	1,806,085	1,840,134	2,136,944	2,139,713	2,294,176	2,184,175
Plant operations and maintenance	4,449,035	4,818,319	4,672,305	5,003,333	5,485,395	5,650,857	5,679,619	5,709,738	5,294,233	5,810,770
Pupil transportation	2,713,136	2,566,828	2,611,623	2,662,537	2,726,822	2,847,978	2,853,287	2,832,214	2,903,921	3,114,668
Other support services	11,905,328	11,919,086	12,904,618	14,741,082	14,460,219	14,668,754	15,404,545	16,049,868	16,949,095	18,713,357
Special Schools	-	-	-	-	-	-	-	-	-	-
Charter School	72,937	120,663	124,018	52,122	37,196	9,035	18,393	10,005	9,197	106,261
Capital outlay	742,178	949,767	2,354,764	985,719	2,019,066	5,405,499	2,486,655	3,446,339	6,445,262	2,338,788
Debt service:										
Principal	3,240,000	3,320,000	3,400,000	3,755,000	3,680,000	3,485,000	3,525,000	3,595,000	3,665,000	4,095,000
Interest and other charges	1,962,151	1,820,226	1,828,983	1,325,456	1,287,496	1,073,125	986,025	879,050	994,297	756,230
Total expenditures	<u>62,753,248</u>	<u>61,359,670</u>	<u>64,982,782</u>	<u>67,181,854</u>	<u>68,787,424</u>	<u>72,621,818</u>	<u>71,883,912</u>	<u>74,913,039</u>	<u>80,718,225</u>	<u>81,100,199</u>
Excess (Deficiency) of revenues over (under) expenditures	(3,871,977)	417,611	(283,921)	549,037	2,097,365	(3,378,461)	(1,049,684)	(2,074,313)	(5,484,952)	(1,867,036)
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing	-	-	144,306	-	14,540,387	-	-	10,114,000	-	-
Accounts receivable cancelled	-	-	(5,287)	-	(14,403,644)	-	-	-	-	-
Transfers in	279,162	551,171	208,680	-	2,422,137	970,500	13,870	35,452	42,672	12,545
Transfers out	(279,162)	(551,171)	(208,680)	-	(2,422,137)	(970,500)	(13,870)	(35,452)	(42,672)	(12,545)
Total other financing sources (uses)	-	-	139,019	-	136,743	-	-	10,114,000	-	-
Net change in fund balances	<u>\$ (3,871,977)</u>	<u>\$ 417,611</u>	<u>\$ (144,902)</u>	<u>\$ 549,037</u>	<u>\$ 2,234,108</u>	<u>\$ (3,378,461)</u>	<u>\$ (1,049,684)</u>	<u>\$ 8,039,687</u>	<u>\$ (5,484,952)</u>	<u>\$ (1,867,036)</u>
Debt service as a percentage of noncapital expenditures	8.39%	8.51%	8.35%	7.67%	7.44%	6.78%	6.50%	6.26%	6.27%	6.16%

Source: District records

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

**Exhibit J-5**

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Transportation</u>	<u>Tuition</u>	<u>Refunds</u>	<u>Rentals</u>	<u>Shared Services</u>	<u>Donations</u>	<u>Preschool Program Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2010	\$ 28,464	\$ 97,481	\$ 516,165	\$ 84,786	\$ 7,000	\$ -	\$ -	\$ 63,487	\$ 2,452	\$ 799,835
2011	42,406	52,842	192,341	15,398	53,774			18,000	2,821	377,582
2012	28,177	244,212	11,255	99,785	83,084		13,300	25,400	5,943	511,156
2013	8,101	56,806	403,855	31,459	70,269			20,300	261,059	851,849
2014	6,337	31,509	551,663	59,812	125,674	384,833		20,800	29,917	1,210,545
2015	20,896	56,438	338,678	63,624	105,560	25,416		21,435	38,054	670,101
2016	20,848	27,988	492,487	91,573	64,730	37,219	800	37,000	144,469	917,114
2017	69,155	44,561	187,449	79,380	64,820	34,093	-	26,100	87,480	593,038
2018	81,221	34,735	114,405	500,110	76,317	23,910		39,950	56,391	927,039
2019	100,250	86,271	245,364	484,479	102,755	17,537		30,655	29,955	1,097,266
	<u>\$ 405,855</u>	<u>\$ 732,843</u>	<u>\$ 3,053,662</u>	<u>\$ 1,510,406</u>	<u>\$ 753,983</u>	<u>\$ 523,008</u>	<u>\$ 14,100</u>	<u>\$ 303,127</u>	<u>\$ 658,541</u>	<u>\$ 7,955,525</u>

**Source: District records**

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

Exhibit J-6

<b>Fiscal Year Ended June 30,</b>	<b>Vacant Land</b>	<b>Residential</b>	<b>Farm Reg.</b>	<b>Qfarm</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	\$ 58,070,100	\$1,686,539,858	\$ 5,221,800	\$ 893,100	\$ 345,873,600	\$ 231,680,600	\$ 55,090,000	\$2,383,369,058	\$ 4,890,705	\$2,388,259,763	\$ 248,407,150	\$ 1.561	\$ 2,741,357,925
2011	62,090,000	1,686,245,058	2,119,300	893,100	345,198,250	223,132,600	55,090,000	2,374,768,308	4,396,827	2,379,165,135	252,726,950	1.624	2,666,755,461
2012	63,813,100	1,539,973,957	2,119,300	868,700	342,544,250	219,982,600	55,090,000	2,224,391,907	4,662,239	2,229,054,146	248,770,450	1.782	2,324,940,541
2013	67,610,200	1,527,747,957	2,021,300	874,900	339,142,450	228,582,600	54,290,000	2,220,269,407	3,498,570	2,223,767,977	252,810,450	1.844	2,260,097,655
2014	61,935,100	1,530,989,757	1,599,800	888,400	333,579,550	224,082,200	54,065,000	2,207,139,807	2,575,429	2,209,715,236	252,409,450	1.881	2,241,817,759
2015	58,134,200	1,537,823,757	1,599,800	857,400	297,699,900	239,808,300	54,065,000	2,189,988,357	2,566,194	2,192,554,551	254,308,450	1.920	2,293,204,680
2016	56,600,700	1,559,843,767	1,591,800	785,000	300,559,900	240,522,900	54,065,000	2,213,969,067	2,238,278	2,212,207,335	256,672,750	1.946	2,521,626,938
2017	54,232,200	1,604,295,700	1,626,000	606,900	313,796,700	260,409,600	65,984,400	2,300,951,500	2,716,695	2,303,668,195	343,987,900	1.907	2,452,521,692
2018	59,912,150	1,618,966,900	897,800	593,500	309,893,500	254,350,200	65,984,400	2,310,598,450	2,708,203	2,313,306,653	347,612,150	1.938	2,381,910,897
2019	75,968,750	1,625,234,100	974,000	543,100	309,071,400	252,129,400	63,484,400	2,327,405,150	2,604,523	2,330,009,673	366,711,950	1.955	2,527,457,076

Source: Municipal Tax Assessor

**Note:**

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

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies.

b Tax rates are per \$100.

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

**Exhibit J-7**

Fiscal Year Ended June 30,	Burlington School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Burlington	Burlington County	Fire District	
2010	\$ 1.398	\$ 0.163	\$ 1.561	\$ 0.382	\$ 0.435	\$ 0.069	\$ 2.447
2011	1.461	0.163	1.624	0.410	0.422	0.070	2.526
2012	1.607	0.175	1.782	0.453	0.392	0.077	2.704
2013	1.673	0.171	1.844	0.483	0.381	0.078	2.786
2014	1.721	0.160	1.881	0.496	0.384	0.079	2.840
2015	1.769	0.151	1.920	0.514	0.431	0.083	2.948
2016	1.797	0.149	1.946	0.513	0.456	0.085	3.000
2017	1.752	0.155	1.907	0.523	0.426	0.085	2.941
2018	1.780	0.158	1.938	0.523	0.411	0.087	2.959
2019	1.803	0.152	1.955	0.528	0.432	0.089	3.004

**Source: Municipal Tax Collector**

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

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

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

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

**Exhibit J-8**

Taxpayer	2019		Taxpayer	2010	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Stag Burlington 2, LLC	\$ 42,595,400	1.83%	Whitesell, Inc.	\$ 68,803,500	2.88%
Midmall Resources LP	38,523,800	1.65%	1900 River Road, LLC	40,300,000	1.69%
Haines Center - Burl LLC	33,916,800	1.46%	Midmall Resources	26,075,000	1.09%
Cole BJ Burlington NJ LLC	30,129,500	1.29%	Burlington Coat Factory	25,205,000	1.06%
Stag Burlington, LLC	26,160,500	1.12%	130 Holdings, LLC	18,603,000	0.78%
Burlington Coat Factory Warehouse	24,619,800	1.06%	Sunset Associates	18,000,000	0.75%
Sunset Associates	19,237,500	0.83%	JS Hovanian	14,100,000	0.59%
DCT Burlington, LLC	16,735,000	0.72%	GP, Burlington LLC	13,500,000	0.57%
Nothgate Village Apartments	12,747,900	0.55%	Northgate Village Realty	13,272,000	0.56%
Towne Crossing Burl., LLC	11,993,100	0.51%	Willow Pointe Apartments, LLC	10,700,000	0.45%
<b>Total</b>	<b>\$ 256,659,300</b>	<b>11.02%</b>		<b>\$ 248,558,500</b>	<b>10.41%</b>

**Source:** Municipal Tax Assessor

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

**Exhibit J-9**

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	\$ 35,875,017	\$ 35,875,017	100.00%	-
2011	37,297,503	37,297,503	100.00%	-
2012	38,619,163	38,619,163	100.00%	-
2013	39,727,475	39,727,475	100.00%	-
2014	40,996,941	40,996,941	100.00%	-
2015	41,572,474	41,572,474	100.00%	-
2016	42,100,515	42,100,515	100.00%	-
2017	43,036,371	43,036,371	100.00%	-
2018	43,925,344	43,925,344	100.00%	-
2019	44,824,684	44,824,684	100.00%	-

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

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

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

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>b</sup>
	General Obligation Bonds	Unfunded Pension Liability	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2010	\$ 43,123,000	\$ -	\$ 340,852	\$ -	\$ -	\$ 43,463,852	3.98%	\$ 1,924	
2011	39,803,000		249,001			40,052,001	3.55%	1,775	
2012	36,230,000		152,717			36,382,717	3.16%	1,614	
2013	32,475,000		51,772			32,526,772	2.80%	1,444	
2014	28,040,000		-			28,040,000	2.33%	1,244	
2015	24,555,000		-			24,555,000	1.93%	1,083	
2016	21,030,000		-			21,030,000	1.62%	929	
2017	27,549,000		-			27,549,000	2.05%	1,221	
2018	23,884,000		-			23,884,000	c	1,060	
2019	19,789,000		-			19,789,000	c	c	

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

- a Based on Per Capita Income for Burlington County
- b Based on School District Population as of July 1,
- c Not available



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

**Exhibit J-11**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2010	\$ 43,123,000	\$ -	\$ 43,123,000	1.81%	\$ 1,909
2011	39,803,000		39,803,000	1.67%	1,764
2012	36,230,000		36,230,000	1.63%	1,607
2013	32,475,000		32,475,000	1.46%	1,441
2014	28,040,000		28,040,000	1.27%	1,244
2015	24,555,000		24,555,000	1.12%	1,083
2016	21,030,000		21,030,000	0.95%	929
2017	27,549,000		27,549,000	1.20%	1,221
2018	23,884,000		23,884,000	1.03%	1,060
2019	19,789,000		19,789,000	0.85%	c

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.  
**a** See Exhibit J-6 for property tax data.  
**b** Population data can be found in Exhibit J-14.  
**c** Not available

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

**Exhibit J-12**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Burlington	\$ 14,234,557	100.000%	\$ 14,234,557
Burlington County General Obligation Debt	253,458,314	2.936%	7,441,536
			21,676,093
<b>Burlington Township School District Direct Debt</b>			<b>21,994,000</b>
<b>Total direct and overlapping debt</b>			<b>\$ 43,670,093</b>

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

**Note:** Debt outstanding data provided by each governmental unit.  
Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District.  
This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Burlington. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

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

**Exhibit J-13**

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

	Equalized valuation basis	
	2016	\$ 2,391,741,404
	2017	2,322,316,815
	2018	<u>2,443,784,717</u>
	<b>[A]</b>	<u>\$ 7,157,842,936</u>
Average equalized valuation of taxable property	<b>[A/3]</b>	\$ 2,385,947,645
Debt limit (4% of average equalized valuation)	<b>[B]</b>	95,437,906 <sup>a</sup>
Net bonded school debt	<b>[C]</b>	<u>19,789,000</u>
Legal debt margin	<b>[B-C]</b>	<u>\$ 75,648,906</u>

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 113,023,058	\$ 109,495,779	\$ 104,584,802	\$ 98,190,690	\$ 92,645,635	\$ 90,450,087	\$ 93,533,058	\$ 95,556,527	\$ 95,904,302	\$ 95,437,906
Total net debt applicable to limit	<u>43,123,000</u>	<u>39,803,000</u>	<u>36,230,000</u>	<u>32,475,000</u>	<u>28,040,000</u>	<u>24,555,000</u>	<u>21,030,000</u>	<u>27,549,000</u>	<u>23,884,000</u>	<u>19,789,000</u>
Legal debt margin	<u>\$ 69,900,058</u>	<u>\$ 69,692,779</u>	<u>\$ 68,354,802</u>	<u>\$ 65,715,690</u>	<u>\$ 64,605,635</u>	<u>\$ 65,895,087</u>	<u>\$ 72,503,058</u>	<u>\$ 68,007,527</u>	<u>\$ 72,020,302</u>	<u>\$ 75,648,906</u>
Total net debt applicable to the limit as a percentage of debt limit	38.15%	36.35%	34.64%	33.07%	30.27%	27.15%	22.48%	28.83%	24.90%	20.73%

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

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

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

**Exhibit J-14**

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2010	22,589	\$1,092,742,875	\$ 48,375	9.4%
2011	22,564	1,127,545,644	49,971	8.5%
2012	22,540	1,150,035,880	51,022	9.5%
2013	22,530	1,160,204,880	51,496	9.5%
2014	22,537	1,205,481,593	53,489	6.2%
2015	22,666	1,269,749,320	56,020	5.2%
2016	22,628	1,300,408,532	57,469	5.2%
2017	22,562	1,346,026,358	59,659	3.7%
2018	22,524	e	e	3.4%
2019	e	e	e	e

**Source:**

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

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

**Exhibit J-16**

<u>Function/Program</u>	<u>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>
Instruction										
Regular	269	270	237	237	236	239	236	240	231	231
Special education	73	72	122	127	115	110	111	102	102	98
Other special education										
Vocational										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	81	81	86	97	97	79	75	75	71	70
School administrative services	40	38	33	27	27	27	27	27	27	30
General and business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	5	5	5	5	5	5	5	6	6	6
Pupil transportation	12	10	11	11	11	11	11	11	12	12
Business and other support services	10	11	8	8	8	7	6	8	8	7
Special Schools										
Food Service										
Child Care										
Total	<u>493</u>	<u>490</u>	<u>505</u>	<u>515</u>	<u>502</u>	<u>481</u>	<u>474</u>	<u>472</u>	<u>460</u>	<u>457</u>

**Source:** District Personnel Records

Burlington Township School District  
 Operating Statistics,  
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2010	4,190	\$ 56,808,919	\$ 13,558	6.07%	342	18:1	13:1	13:1	4,055	3,867	-2.73%	95.36%
2011	4,097	55,269,677	13,490	-0.50%	342	18:1	13:1	13:1	4,104	3,926	1.21%	95.66%
2012	4,095	57,399,035	14,017	3.91%	359	18:1	13:1	13:1	4,061	3,886	-1.05%	95.69%
2013	4,027	61,115,679	15,176	3.91%	364	18:1	13:1	13:1	4,021	3,835	-0.98%	95.37%
2014	4,032	61,800,862	15,328	1.00%	351	18:1	13:1	13:1	4,043	3,857	0.54%	95.40%
2015	3,985	62,658,194	15,724	2.58%	349	18:1	13:1	13:1	3,994	3,804	-1.21%	95.26%
2016	3,930	64,886,232	16,510	5.01%	347	18:1	13:1	13:1	3,931	3,768	-1.58%	95.85%
2017	3,878	66,992,650	17,275	4.63%	347	18:1	13:1	13:1	3,869	3,700	-1.58%	95.63%
2018	3,797	69,613,666	18,334	6.13%	333	18:1	13:1	13:1	3,819	3,636	-1.29%	95.21%
2019	3,698	73,910,181	19,987	9.01%	329	18:1	13:1	13:1	3,697	3,540	-3.19%	95.75%

Sources: District records

Note: Enrollment based on annual October district count.

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

**Burlington Township School District  
School Building Information  
Last Ten Fiscal Years**

**Exhibit J-18**

	<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>										
<b>Elementary</b>										
Bernice Young Elementary (1962)										
Square Feet	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071
Capacity (students)	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280
Enrollment	951	871	892	886	910	896	845	802	835	792
Fountain Woods Elementary (1999)										
Square Feet	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648
Capacity (students)	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278
Enrollment	847	944	884	900	868	881	887	891	850	784
Thomas O. Hopkins Middle (1970)										
Square Feet	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116
Capacity (students)	597	597	597	597	597	597	597	597	597	597
Enrollment	335	334	322	315	328	323	280	325	255	303
Burlington Township Middle School (2008)										
Square Feet	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700
Capacity (students)	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Enrollment	1,011	1,028	1,003	951	979	912	949	894	893	931
Burlington High School (1964)										
Square Feet	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125
Capacity (students)	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Enrollment	910	927	960	975	958	982	971	957	945	887

Number of Schools at June 30, 2019

- Elementary = 3
- Middle School = 1
- Senior High School = 1

**Source:** District Facilities Office

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

**Burlington Township School District  
Schedule of Required Maintenance  
Last Ten Fiscal Years**

**Exhibit J-19**

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
* School Facilities											
Fountain Woods School	\$ 102,135	\$ 130,517	\$ 150,124	\$ 156,914	\$ 167,604	\$ 180,250	\$ 184,774	\$ 187,276	\$ 175,737	\$ 192,691	\$ 1,628,022
Young School	103,542	108,764	125,103	130,762	139,670	150,209	153,978	166,468	156,211	171,281	1,405,988
Hopkins School	79,436	87,012	100,082	104,609	111,736	120,167	123,183	124,851	117,158	128,461	1,096,695
Middle School	147,527	195,776	225,185	235,371	251,406	270,375	277,160	280,914	263,606	289,036	2,436,356
High School	151,183	203,027	233,526	244,088	260,717	280,389	287,426	280,913	263,606	289,036	2,493,911
Total School Facilities	<u>\$ 583,823</u>	<u>\$ 725,096</u>	<u>\$ 834,020</u>	<u>\$ 871,744</u>	<u>\$ 931,133</u>	<u>\$ 1,001,390</u>	<u>\$ 1,026,521</u>	<u>\$ 1,040,422</u>	<u>\$ 976,318</u>	<u>\$ 1,070,505</u>	<u>\$ 9,060,972</u>

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

Source: District records



**Burlington Township School District  
Insurance Schedule  
June 30, 2019**

**Exhibit J-20**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)	\$ 151,242,318	\$ 1,000
School Board Legal Liability	1,000,000	10,000
Commercial Crime	400,000	250
Employment Practice Liability	1,000,000	10,000
Umbrella Liability	15,000,000	-
Excess Umbrella (2)	15,000,000	-
Workers' Compensation (3)	2,000,000	-
Student Accident Insurance CAT (4)	5,000,000	-
NJ Accident Policy (5)	500,000	-
Surety Bonds (6)		
Board Secretary/Business Administrator	300,000	-

- (1) Utica National Insurance Group
- (2) Markel American Insurance Company
- (3) NJ Schools Insurance Group
- (4) United State Fire Insurance Company
- (5) Arch Insurance Company
- (6) RLI Insurance Company

Source: District records

**Single Audit Section**

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

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 (856) 983-2244  
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-Member of-  
 American Institute of CPAs  
 New Jersey Society of CPAs

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

**INDEPENDENT AUDITOR'S REPORT**

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

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

I have audited Burlington Township School District's (School District), in the County of Burlington, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2019. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

**Auditor's Responsibility**

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

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

## Opinion on Each Major Federal and State Program

In my opinion, the Burlington Township School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2019.

## Report on Internal Control Over Compliance

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

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

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

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

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



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

Marlton, New Jersey  
November 8, 2019

BURLINGTON TOWNSHIP 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	June 30, 2018			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	June 30, 2019		
						Accounts Receivable	Deferred Revenue	Due to Grantor at					Accounts Receivable	Deferred Revenue	Due to Grantor at
<b>U.S. Department of Education</b>															
<u>General Fund:</u>															
Medical Assistance Program (SEMI)	93.778	1805NJ5MAP	N/A	\$ 114,332	7/1/18 - 6/30/19	\$ -	\$ -	\$ -	\$ -	\$ 114,332	\$ (114,332)	\$ -	\$ -	\$ -	\$ -
Total General Fund										114,332	(114,332)				
<u>Special Revenue Fund:</u>															
<u>Every Student Succeeds Act (ESSA)</u>															
Title I	84.010A	S010A180030	ESSA-0620-19	378,843	7/1/18 - 6/30/19					234,573	(337,650)		(103,077)		
Title I - Prior Year	84.010A	S010A170030	ESSA-0620-18	359,378	7/1/17 - 6/30/18	(146,961)				146,961					
Title IIA	84.367A	S367A180029	ESSA-0620-19	78,245	7/1/18 - 6/30/19					46,827	(73,713)		(26,886)		
Title IIA - Prior Year	84.367A	S367A170029	ESSA-0620-18	91,310	7/1/17 - 6/30/18	(34,046)				34,046					
Title III	84.365A	S365A180030	ESSA-0620-19	20,168	7/1/18 - 6/30/19					8,346	(19,602)		(11,256)		
Title III - Prior Year	84.365A	S365A170030	ESSA-0620-18	38,751	7/1/17 - 6/30/18	(15,615)				15,615					
Title III - Immigrant	84.365A	S365A180030	ESSA-0620-19	12,499	7/1/18 - 6/30/19					6,844	(10,577)		(3,733)		
Title III - Immigrant - Prior Year	84.365A	S365A170030	ESSA-0620-18	10,646	7/1/17 - 6/30/18	(3,048)				3,048					
Title IV	84.424A	S424A180031	ESSA-0620-19	20,096	7/1/18 - 6/30/19					5,827	(16,633)		(10,806)		
Title IV - Prior Year	84.424A	S424A170031	ESSA-0620-18	10,000	7/1/17 - 6/30/18	(10,000)				10,000					
<u>Individuals With Disabilities Act (I.D.E.A.)</u>															
Part B - Basic	84.027	H027A170100	IDEA-0620-19	826,130	7/1/18 - 6/30/19					826,130	(826,130)				
Part B - Preschool	84.173	H173A170114	IDEA-0620-19	29,220	7/1/18 - 6/30/19					29,220	(29,220)				
Temporary Emergency Impact Aid for Displaced Students	84.938C	S938C18005	N/A	2,125	7/1/17 - 6/30/18	(2,125)				2,125					
Perkins	84.048A	V048A170030	PERK-0620-19	21,712	7/1/18 - 6/30/19					18,861	(21,712)		(2,851)		
Perkins	84.048A	V048A160030	PERK-0620-18	21,594	7/1/17 - 6/30/18	(2,163)				2,163					
Total Special Revenue Fund						(213,958)				1,390,586	(1,335,237)		(158,609)		
<b>U.S. Department of Agriculture</b>															
<u>Enterprise Fund:</u>															
Food Distribution Program	10.565	181NJ304N1099	N/A	73,521	7/1/18 - 6/30/19					73,521	(73,521)				
National School Lunch Program	10.555	181NJ304N1099	N/A	443,757	7/1/18 - 6/30/19					414,838	(443,757)		(28,919)		
National School Lunch Program	10.555	171NJ304N1099	N/A	438,441	7/1/17 - 6/30/18	(28,707)				28,707					
School Breakfast Program	10.553	181NJ304N1099	N/A	74,707	7/1/18 - 6/30/19					68,782	(74,707)		(5,925)		
School Breakfast Program	10.553	171NJ304N1099	N/A	79,730	7/1/17 - 6/30/18	(6,465)				6,465					
Total Enterprise Fund						(35,172)				592,313	(591,985)		(34,844)		
Total Federal Awards						\$ (249,130)	\$ -	\$ -	\$ -	\$ 2,097,231	\$ (2,041,554)	\$ -	\$ (193,453)	\$ -	\$ -

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2019

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2018			Cash Received	Budgetary Expenditures	Repayment of Prior Year Grant	Adjustment	June 30, 2019		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor					Accounts Receivable	Deferred Revenue	Due to Grantor at
<b>State Department of Education</b>													
<u>General Fund:</u>													
Special Education Categorical Aid	19-495-034-5120-089	\$ 2,355,238	7/1/18 - 6/30/19	\$ -	\$ -	\$ -	\$ 2,142,834	\$ (2,355,238)	\$ -	\$ -	\$ (212,404)	\$ -	\$ -
Special Education Categorical Aid	18-495-034-5120-089	2,315,921	7/1/17 - 6/30/18	(209,058)			209,058						
Equalization Aid	19-495-034-5120-078	15,389,989	7/1/18 - 6/30/19				14,002,062	(15,389,989)			(1,387,927)		
Equalization Aid	18-495-034-5120-078	15,389,989	7/1/17 - 6/30/18	(1,389,250)			1,389,250						
Security Aid	19-495-034-5120-084	533,760	7/1/18 - 6/30/19				485,623	(533,760)			(48,137)		
Security Aid	18-495-034-5120-084	428,856	7/1/17 - 6/30/18	(38,713)			38,713						
Under Adequacy Aid	18-495-034-5120-096	34,377	7/1/17 - 6/30/18	(3,103)			3,103						
Transportion Aid	19-495-034-5120-014	1,741,167	7/1/18 - 6/30/19				1,584,142	(1,741,167)			(157,025)		
Transportion Aid	18-495-034-5120-014	779,010	7/1/17 - 6/30/18	(70,321)			70,321						
PARCC Readiness Aid	18-495-034-5120-098	40,040	7/1/17 - 6/30/18	(3,614)			3,614						
Per Pupil Growth Aid	18-495-034-5120-097	40,040	7/1/17 - 6/30/18	(3,614)			3,614						
Professional Learning Community Aid	18-495-034-5120-101	38,580	7/1/17 - 6/30/18	(3,483)			3,483						
Reimbursement of Nonpublic Transportation	19-103190	32,000	7/1/18 - 6/30/19					(32,000)			(32,000)		
Reimbursement of Nonpublic Transportation	18-103190	28,173	7/1/17 - 6/30/18	(28,173)			28,173						
Extraordinary Aid	19-495-034-5120-044	997,213	7/1/18 - 6/30/19					(997,213)			(997,213)		
Extraordinary Aid	18-495-034-5120-044	545,094	7/1/17 - 6/30/18	(547,213)			547,213						
Homeless Tuition Aid	19-495-034-5120-005	37,453	7/1/18 - 6/30/19					(37,453)			(37,453)		
Homeless Tuition Aid	18-495-034-5120-005	61,293	7/1/17 - 6/30/18	(61,293)			61,293						
On Behalf TPAF Pension	19-495-034-5094-002	5,027,455	7/1/18 - 6/30/19				5,027,455	(5,027,455)					
On Behalf TPAF Post Retirement Medical	19-495-034-5094-001	2,280,446	7/1/18 - 6/30/19				2,280,446	(2,280,446)					
On Behalf TPAF LTDI	19-495-034-5094-004	3,404	7/1/18 - 6/30/19				3,404	(3,404)					
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	2,046,479	7/1/18 - 6/30/19				1,945,970	(2,046,479)			(100,509)		
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	1,987,474	7/1/17 - 6/30/18	(97,518)			97,518						
<b>Total General Fund</b>				<b>(2,455,353)</b>			<b>29,927,289</b>	<b>(30,444,604)</b>			<b>(2,972,668)</b>		
<u>Special Revenue Fund</u>													
NJ Nonpublic Aid:													
Textbook Aid	19-100-034-5120-064	6,034	7/1/18 - 6/30/19				6,034	(6,034)					
Nursing Aid	19-100-034-5120-070	11,737	7/1/18 - 6/30/19				11,737	(11,737)					
Technology Aid	19-100-034-5120-373	4,068	7/1/18 - 6/30/19				4,068	(4,068)					
Security Aid	19-100-034-5120-509	18,150	7/1/18 - 6/30/19				18,150	(18,150)					
<b>Total Special Revenue Fund</b>							<b>39,989</b>	<b>(39,989)</b>					
New Jersey School Development Authority													
<u>Capital Projects Fund</u>													
High School	0620-010-14-1001	809,471	6/20/14 - 6/30/15	(161,894)							(161,894)		
Thomas O. Hopkins Middle School	0620-025-14-1002	246,036	5/02/14 - 6/30/15	(123,718)							(123,718)		
Middle School	0620-051-14-1005	97,064	5/02/14 - 6/30/15	(97,064)							(97,064)		
Fountain Woods	0620-037-14-1004	74,283	5/02/14 - 6/30/15	(74,283)							(74,283)		
Bernice Young School	0620-030-14-1003	1,104,619	5/02/14 - 6/30/15	(256,846)							(256,846)		
<b>Total Capital Projects Fund</b>				<b>(713,805)</b>							<b>(713,805)</b>		
<u>Debt Service Fund</u>													
Debt Service Aid Type II	19-495-034-5120-017	1,159,511	7/1/18 - 6/30/19				1,159,511	(1,159,511)					
<b>State Department of Agriculture</b>													
<u>Enterprise Fund:</u>													
State School Lunch Program	19-100-010-3350-023	15,459	7/1/18 - 6/30/19				14,454	(15,458)			(1,004)		
State School Lunch Program	18-100-010-3350-023	15,193	7/1/17 - 6/30/18	(1,003)			1,003						
<b>Total Enterprise Fund</b>				<b>(1,003)</b>			<b>15,457</b>	<b>(15,458)</b>			<b>(1,004)</b>		
<b>Total State Financial Assistance</b>				<b>\$ (3,170,161)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,142,246</b>	<b>\$ (31,659,562)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,687,477)</b>	<b>\$ -</b>	<b>\$ -</b>
Less: State Financial Assistance Not Subject to Major Program Determination													
On-Behalf TPAF Contribution - Pension (Non-Budgeted)													
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)													
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)													
<b>Total State Financial Assistance Subject to Major Program Determination</b>													
<b>\$ (24,348,257)</b>													

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

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

## **1. GENERAL**

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

## **2. BASIS OF ACCOUNTING**

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

## **3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$84,337) for the general fund and \$-0- for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 114,332	\$ 30,360,267	\$ 30,474,599
Special Revenue	1,335,237	39,989	1,375,226
Debt Service		1,159,511	1,159,511
Food Service	<u>591,985</u>	<u>15,458</u>	<u>607,443</u>
Total	<u>\$ 2,041,554</u>	<u>\$ 31,575,225</u>	<u>\$ 33,616,779</u>

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

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

**5. OTHER**

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



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

**Section I --Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? \_\_\_\_\_ yes  X  no

2) Significant deficiencies identified? \_\_\_\_\_ yes  X  none reported

Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes  X  no

**Federal Awards**

Internal Control over major programs:

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

2) Significant deficiencies identified? \_\_\_\_\_ yes  X  none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ( Uniform Guidance)? \_\_\_\_\_ yes  X  no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>HO27A180100</u>	<u>IDEA Part B</u>
<u>84.173</u>	<u>H173A180114</u>	<u>IDEA Preschool</u>
<u>10.555</u>	<u>181NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>181NJ304N1099</u>	<u>School Breakfast Program</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee?  X  yes \_\_\_\_\_ no

BURLINGTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

State Awards Section

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

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

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

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

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>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>19-495-034-5120-014</u>	<u>Transportation Aid</u>
<u>19-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>19-495-034-5120-017</u>	<u>Debt Service Aid Type II</u>
<u>19-100-010-3350-023</u>	<u>State School Lunch Program</u>

**BURLINGTON TOWNSHIP 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 identified.

**BURLINGTON TOWNSHIP 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:**

No findings and/or questioned costs identified.

**STATE AWARDS:**

No findings and/or questioned costs identified.

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

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

**FINANCIAL STATEMENT FINDINGS**

There were no prior year audit findings.

**FEDERAL AWARDS**

There were no prior year audit findings.

**STATE AWARDS**

There were no prior year audit findings.