Board of Education
of
Cinnaminson Township
School District
Cinnaminson, New Jersey

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended
JUNE 30, 2019

Comprehensive Annual Financial Report

of the

Cinnaminson Township Board of Education

Cinnaminson, New Jersey

For the Fiscal Year Ended June 30, 2019

Prepared by
Cinnaminson Township Board of Education
Finance Department

CINNAMINSON TOWNSHIP SCHOOL DISTRICT

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION (Unaudited)

SINGLE AUDIT SECTION

Introductory Section

Cinnaminson Township Public Schools

Administrative Offices
P.O. Box 224
Cinnaminson, New Jersey 08077
Tel: 856-829-7600 Fax: 856-786-9618

November 8, 2019

Honorable President and
Members of the Board of Education
Cinnaminson School District
Cinnaminson, New Jersey 08077

Dear Board Members:

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

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

1. <u>REPORTING ENTITY AND ITS SERVICES:</u>

Cinnaminson Township Public School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Cinnaminson Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a comprehensive Pre- K through 12 curriculum, including: gifted and talented, special education and basic skills. The current average daily enrollment of 2,554.40 students is 60.96 students more than the previous year. The following details the changes in enrollment over the last ten years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2018 – 2019	2,554.50	2.44%
2017 – 2018	2,493.44	.77%
2016 – 2017	2,474.50	1.45%
2015 – 2016	2,439.1	1.10%
2014 – 2015	2,412.64	2.10%
2013 – 2014	2,363.1	.12%
2012 – 2013	2,360.2	.2%
2011 – 2012	2,354.9	.69%
2010 – 2011	2,338.6	(1.03%)
2009 – 2010	2,419.8	1.43%

2. ECONOMIC CONDITIONS AND OUTLOOK

Cinnaminson Township continues to be a desirable, high-performing district. 2019-20 state aid increased by $374,948 or 4.03% and has provided the necessary funds to maintain and, where appropriate, add to the instructional staff as well as continue a quality instructional program. Along with significant local effort and continued state support, state aid has made a difference as Township property values have decreased slightly by $251,202. The number of state and federal unfunded or partially funded mandates have been and will continue to be a serious fiscal burden on our taxpayer. The increased enrollment from the "Riverfront" properties continues to have an effect on class size and special program needs.

The district is planning for the gradual increase of student growth. Employees will be in the ninth year of the Public Law 2011, Chapter 78 for the 2019-20 school year. Again we have managed to maintain single digit increases in employee benefits due to the low experience ratings and from participation from the School Health Insurance Fund (SHIF). The district has renewed the shared service arrangement with the Township for Class III Officers during the 2018-19 school year and is planning on maintaining four (4) Class III Officers into the 2019-20 school year.

3. MAJOR INITIATIVES

The Cinnaminson Township School District has embarked on a number of new as well as continuing initiatives.

Our district continues to address curricular improvement per New Jersey Learning Standards, including the purchase of instructional materials and texts that align with New Jersey standards, staff development, and technology. The district remains confident that personnel, will be able to refine existing programs to better meet student needs in grades Pre-kindergarten through 12th grade. Lastly, the district continues to address the needs of our special education population while expanding the multiple disability programs at all buildings and life skills at the High School. In addition, the district is offering an in-house Behavioral Disability Program at the Rush Intermediate School, grades 3 thru 5.

The continued funding levels from the State have provided moneys to assist with continuing these special education programs to support the ever growing needs of students. The MD class and BD class allows us to continue to economize by keeping the students in district and providing them with the life skills necessary to be productive members of the community. Integrated preschool and kindergarten programs initiated last year are still in place. The district continues to evaluate its technology infrastructure to accommodate State assessments and to upgrade the wireless networks. The district continues to acquire chrome book laptop carts to assist with the implementation of State testing. The improvements support the District's Bring Your Own Device program. The district continues google classroom where the applications will be used by students and in turn make them college and career ready.

In order to build professionalism, district funds are allocated for continued training in the core standards and preparation for State assessments. Training is delivered in a variety of ways including webinars, out of district workshops, in district workshops, building, department and grade level meetings, and review of online and hard copy documents. The district formed a District Evaluation Advisory Committee, which meets regularly and advises in the District's response to the state teacher evaluation initiative. The District uses the Danielson format as the teacher evaluation tool. The district continues to offer ongoing in-house, building and department level, web-based and outside training for administrators and teachers. Assessments continued to be analyzed by supervisors/principals as they collaborate in developing meaningful SGO's. Further, the processes are in place for the district to move forward with the adoption and integration of the next generation science standards.

The Math Curriculum is available on the district website for staff and the community. Classrooms throughout the district use interactive whiteboards to enhance learning. The curriculum was fully aligned to the New Jersey Student Learning Standards and implemented in the fall of 2017. Curriculum updates are ongoing as part of the upcoming QSAC process. All sixth graders at the Middle School have double periods of Math and all Middle School students who need additional assistance are offered a refresher course. Algebra I is offered at the Middle School and for a small group of students Honors Geometry may be taken in eighth grade. Modified sections of Algebra I and Geometry are available as a double period for students in need of additional support. AP courses in Calculus and Statistics are available at the High School.

The Science Department updated its curriculum maps to focus on NGSS & STEM initiatives. The core standards in science support the use of graphing calculators and computers. The department revised the 6-12 curriculum in the summer of 2016 to meet the Next Generation Science Standards (NGSS). Curriculum revisions were made in the science program, grades K-5, during the summer of 2017 and implemented in the fall of 2017 to ensure alignment with the NGSS. Curriculum updates are ongoing as part of the upcoming QSAC process. New K-5 Science textbooks, TCI lab kits and online activities were acquired. All department members use computers for lab activities. The Human Anatomy and Forensic Science electives remain well subscribed. AP courses are available in Environmental Science, Biology, Chemistry, Physics 1 and Physics C.

The entire English Language Arts curriculum was fully aligned to the New Jersey Student Learning Standards and implemented in the fall of 2017. Curriculum updates are ongoing as part of the upcoming QSAC process. The writing process is emphasized at every grade including the important steps of revising and editing. Students have courses in both reading and writing in grades K-8, with a comprehensive literature & composition course in grades 9-12. Our K-12 reading program employs at least two full-time reading specialists in every building to provide ongoing remediation and skill development during the school day, after school and during the summer. Teachers in the primary schools have been trained, or will be trained, in Orton Gillingham, Wilson, or Linda Mood Bell programs. Electives in Journalism, Creative Writing, "Literature of the Holocaust" and "The Monsters Among and Within Us" are popular with students at the secondary level. AP Literature courses are offered for juniors and seniors.

Curriculum updates are ongoing as part of the upcoming QSAC process. The social studies curriculum focuses on teaching historical thinking skills (reading and writing) and historiography through the study of American and global history. Advanced Placement courses include Psychology, United States History, and European History. The social studies department incorporates primary source documents and historical perspectives as a major focus of study and assessment. The department also emphasizes historical writing skills and protocols. The use of these documents and writing activities mirrors the Research Simulation Task initiative in the English Language Arts area. The department offers a wide array of full year and semester electives including American Law, Macro-economics, Human Behavior, Sociology, Gender and Society, Contemporary World Issues, and Sports in Society. The curriculum is enriched through a variety of extra-curricular activities including Mock Trial, World Affairs Council, and Debate Club.

In today's global economy, students need to be lifelong learners who have the knowledge and skills to adapt to an evolving workplace and world. Cinnaminson Schools infuse 21st Century Life & Career Skills (Career Ready Practices) throughout all content areas. Teachers address and track 21st Century Skills in their lesson plans. Personal Financial Literacy is incorporated in several classes in the high school. Additionally, a stand-alone Financial Literacy is available to students. 21st century Career Awareness, Exploration and Preparation is addressed in the two school-to-work classes at the high school.

Music and Art classes encompass offerings for students at all skill levels. Curriculum updates are ongoing as part of the upcoming QSAC process. Children enjoy our music and arts courses beginning in kindergarten. Our vocal and instrumental students consistently earn positions in highly-competitive honors ensembles on the state and regional levels, as well as individual accolades, and present numerous concerts for the community throughout the year. Visual Arts students can prepare a portfolio for college entrance, as well as compete in county-wide Teen Arts Festivals and local and national contests. Classes range from Digital Photography, Graphic Design and Sculpture, to traditional drawing and painting classes. The Visual and Performing Arts program has enhanced connections with other content areas (especially Social Studies and English Language Arts) by infusing Reading, Writing, and History related to music and art. Courses explore career opportunities in this field. Benchmark assessments have been developed for all courses in Visual and Performing Arts. A Guitar Class was added to the high school and this offering is an extension of the program offered at the middle school.

The Physical Education program provides each student with the opportunity to participate in a comprehensive program consisting of skill development, lead up games, team sports, lifetime and physical fitness activities. Curriculum updates are ongoing as part of the upcoming QSAC process. The students receive instruction in rules, skills, and strategies associated with the different sports as well as learning experiences involving physical conditioning activities. The students will also have opportunities to become involved in life-long activities through individual sports units. The program promotes the spirit of cooperation, leadership, fair play, and friendly competition.

Health lessons are infused in the classroom in grades K-2. Intermediate school students meet with their health teacher on a weekly basis. Middle and high school students attend health class for a marking period. The 9th – 12th grade health curriculum is designed to familiarize students with issues they will encounter during their high school years. The courses are designed to provide knowledge and skills, which will enable students to make healthy choices. Units covered include communicable diseases, wellness, tobacco, fitness, first aid, mental health, drug and alcohol, reproduction, character education, harassment, intimidation and bullying.

The mission of the Cinnaminson World Languages Department is to impart an understanding and appreciation of the cultural diversity existing in today's society. It is also to instill in all students an interest in being multi-lingual and to view this as a 21st century life skill which will enable them to better compete in the global workforce. Beginning with the 2016-2017 school year, Cinnaminson began as a participant in the NJ Seal of Biliteracy program with participation growing annually. Qualifying seniors who have demonstrated a score of Intermediate-Mid via a third party assessment in all four domains of second language acquisition: reading, writing, listening and speaking are awarded a state-issued certificate conferred at graduation.

To ensure that Cinnaminson students are successful in second language acquisition, the World Languages program begins in grades K-2 with minimal exposure to Spanish via a video series. Exposure to Spanish continues in grades 3-5 where it is taught on a rotational schedule of one day per week with an instructor. In the Middle School, students in grade 6 are exposed to both French and Spanish on a rotational schedule. In grade 7, students will choose either French or Spanish to begin their study at the introductory level. Level one study is continued in grade 8. The World Languages program at the high school offers a complete range of study. French and Spanish courses are offered at various ability levels from grades 9 through 12: modified academic, accelerated/college preparatory, honors, and advanced placement. Curriculum updates are ongoing as part of the upcoming QSAC process.

Students in K-8 explore computer use and applications as part of their regular curriculum. Computer programming is infused at all levels, with early elementary students learning to program robot bees, upper elementary students using MIT's simple drag-and-drop coding software (Scratch), and middle school students refining their use of Scratch while taking a brief look at a full-scale programming language, Python. Students at all levels, K-12, receive instruction in basic computer applications. These enhance reading and math skills at the K-5 level, and introduce word processing, spreadsheet and presentation software from grades 3-8. Keyboarding proficiency is stressed from second grade on. Middle School students also take a test in technology literacy, to ensure they are meeting New Jersey computer literacy standards. Classroom and subject teachers increasingly use the building computer labs and laptop carts to enhance lessons.

Cinnaminson High School offers numerous technology electives, with freshmen strongly encouraged to enroll in Computing for College to enhance keyboarding proficiency and expand knowledge of the features of Microsoft Word and Excel. Honors Office expands student familiarity with Excel spreadsheets, Access databases, Word, and PowerPoint. Electives are offered in Introduction to Computer Programming, and upper level Computer Programming I and II. An Honors-level course teaches students to design web sites, and introduces them to the functions and analytics of web servers. Technology enhances all courses. Bring Your Own Technology is offered throughout the school, to enhance availability of real-time data, research, and opportunities to create output. Curriculum updates are ongoing as part of the upcoming QSAC process.

Whether it be in student accomplishments, staff commitment, rigorous instructional programs, or district governance and operations, the district continues to rank among the very best in the South Jersey region.

4. INTERNAL ACCOUNTING CONTROLS:

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2019.

6. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7. CASH MANAGEMENT

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

8. RISK MANAGEMENT

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

9. OTHER INFORMATION

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso & Stewart, LLC, performs the annual statutory audit of the Cinnaminson Township Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance): and State of New Jersey Circular OMB15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

10. ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Cinnaminson School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

Stephen M. Cappello
Superintendent of Schools

Thomas W. Egan, Jr.
Board Secretary/Business Administrator

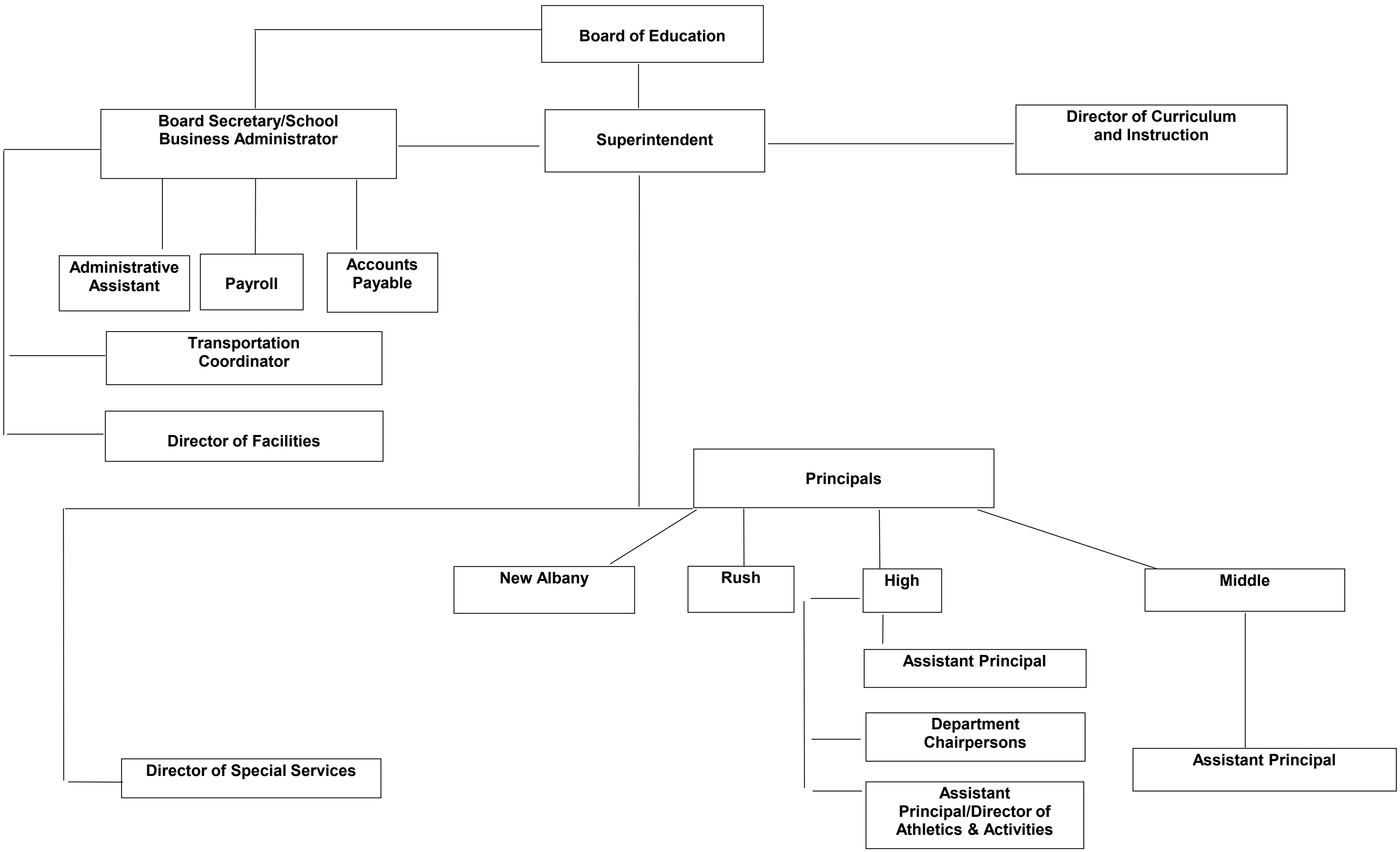
MISSION STATEMENT

The Mission of the Cinnaminson School District is to educate our students and to assist their development into self-motivated, multi-faceted, happy and physically fit individuals who are productive, responsible citizens. It is expected that all students will achieve the New Jersey Student Learning Standards at all grade levels.

With national and state program standards as a basis, Cinnaminson students will gain an appreciation of knowledge, a desire to learn, and a respect for themselves and others. In partnership with the family and the community, we will foster achievement and we will model excellence and responsible behavior.

CINNAMINSON BOARD OF EDUCATION

Organization Chart



CINNAMINSON BOARD OF EDUCATION
CINNAMINSON, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2019

	Term Expires
Laura Fitzwater, President	2021
James J. McGuckin, Jr., Vice-President	2021
Dolores Woodington	2021
Daniel P. Gaffney	2020
Ed Kenney	2020
Kathleen Quinn	2020
Christine L. Turner	2019
Christine R. Trampé	2019
Michael Bramhall	2019

Other Officials

Stephen Cappello, Superintendent
Thomas W. Egan, Jr., Business Administrator
Mark Gidjunis, Treasurer
Frank Cavallo, Esq., Solicitor

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

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

Attorney

Frank Cavallo, Esq
One Centennial Square
Parker, McCay P.A.
9000 Midlantic Drive
Suite 300
Mount Laurel, NJ 08054

Official Depository

BB&T
800 North Route 130
Cinnaminson, NJ 08077

Financial Section

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New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Cinnaminson Township School District
County of Burlington
Cinnaminson 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 Cinnaminson 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 Cinnaminson 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 Cinnaminson 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 Cinnaminson 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 Cinnaminson 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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-Member of-
American Institute of CPAs
New Jersey Society of CPAs

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Cinnaminson Township School District
County of Burlington
Cinnaminson 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 Cinnaminson 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 Cinnaminson 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 Cinnaminson 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 Cinnaminson 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

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

As management of the Board of Education of the Township of Cinnaminson, 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 $4,062,592 *(net position)*.
- Governmental activities have an unrestricted net position deficit of $19,116,208. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, and the last two state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased by $1,518,943 or a 59.72% increase from the prior fiscal year-end balance.
- Fund balance of the School District's governmental funds increased by $1,302,566 resulting in an ending fund balance of $10,518,400. This increase is primarily due to the results of operations in the General Fund.
- Business-type activities have unrestricted net position of $855,601, which may be used to meet the School District's ongoing obligations of the food service operations, school age child care program, and student store.
- The School District's long-term obligations decreased by $4,960,226 which is the net result of the reduction of serial bond debt and net pension liability and the increase in compensated absences and capital leases payable.

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, the School Age Child Care Program, and the Student Store.

Fund Financial Statements

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

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

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

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

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

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

The School District's three enterprise funds (Food Service Fund, School Age Child Care Program, and School Store) 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 $3,089,101 with an unrestricted deficit balance of $19,116,208. The net position of the primary government does not include internal balances.

A net investment of $11,910,452 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 2,554 public school students, represents 385.56% of the School District's net position. Net position of $2,484,260 has been restricted to provide resources for future capital expansion and renovation projects, $1,969,158 for maintenance reserve, $2,260 has been reserved for repayment of debt, $5,680,537 has been restricted for future budget appropriations and $158,642 is reserved for encumbrances.

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

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

	Governmental Activities		Business-Type Activites		District-Wide	
	2019	2018	2019	2018	2019	2018
ASSETS						
Current assets	$ 10,791,645	$ 9,492,300	$ 993,828	$ 824,203	$ 11,785,473	$ 10,316,503
Capital assets	49,889,972	50,933,454	117,890	77,698	50,007,862	51,011,152
Total assets	60,681,617	60,425,754	1,111,718	901,901	61,793,335	61,327,655
Deferred Outflows of Resources	4,768,424	6,774,804			4,768,424	6,774,804
LIABILITIES						
Current liabilities	3,423,068	3,630,289	138,227	71,500	3,561,295	3,701,789
Noncurrent liabilities	53,280,260	58,079,575			53,280,260	58,079,575
Total Liabilities	56,703,328	61,709,864	138,227	71,500	56,841,555	61,781,364
Deferred Inflows of Resources	5,657,612	3,777,446			5,657,612	3,777,446
Net Position	$ 3,089,101	$ 1,713,248	$ 973,491	$ 830,401	$ 4,062,592	$ 2,543,649
Net Position Consists of:						
Net investment in Capital Assets	11,910,452	11,258,794	117,890	77,698	12,028,342	11,336,492
Restricted Assets	10,294,857	9,020,910			10,294,857	9,020,910
Unrestricted Assets	(19,116,208)	(18,566,456)	855,601	752,703	(18,260,607)	(17,813,753)
Net Position	$ 3,089,101	$ 1,713,248	$ 973,491	$ 830,401	$ 4,062,592	$ 2,543,649

Cinnaminson Township School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Years Ended June 30, 2019 and 2018

	Governmental Activities		Business-Type Activites		District-Wide	
	2019	2018	2019	2018	2019	2018
Revenues:						
Charges for services	$ -	$ -	$ 992,071	$ 957,229	$ 992,071	$ 957,229
Operating Grants and contributions	20,748,973	23,811,328	269,072	232,035	- 21,018,045	- 24,043,363
Property taxes	35,635,487	34,989,194			35,635,487	34,989,194
State aid - unrestricted	9,769,198	9,534,038			9,769,198	9,534,038
Other revenues	1,737,675	1,831,273	6,225	3,778	1,743,900	1,835,051
Total Revenues	67,891,333	70,165,833	1,267,368	1,193,042	69,158,701	71,358,875
Expenses:						
Governmental Activities:						
Instruction	21,624,771	21,300,985			21,624,771	21,300,985
Tuition	1,041,634	1,273,713			1,041,634	1,273,713
Related Services	5,534,420	5,297,730			5,534,420	5,297,730
Administrative Services	2,639,899	2,542,959			2,639,899	2,542,959
Operations and Maintenance	3,503,950	3,634,731			3,503,950	3,634,731
Transportation	2,966,304	2,891,810			2,966,304	2,891,810
Central services	1,074,925	1,044,866			1,074,925	1,044,866
Employee benefits	26,839,396	30,617,636			26,839,396	30,617,636
Charter Schools		27,550			-	27,550
Interest on debt	1,177,575	1,235,412			1,177,575	1,235,412
Other	112,606	51,649			112,606	51,649
Business-Type Activities:						
Food Service			756,534	696,479	756,534	696,479
School Store			34,508	41,284	34,508	41,284
School Age Child Care			333,236	396,679	333,236	396,679
Total Expenses	66,515,480	69,919,041	1,124,278	1,134,442	67,639,758	71,053,483
Increase (Decrease) in Net Position before transfers	1,375,853	246,792	143,090	58,600	1,518,943	305,392
Transfers						
Change in Net Position	1,375,853	246,792	143,090	58,600	1,518,943	305,392
Net Position, July 1	1,713,248	1,466,456	830,401	771,801	2,543,649	2,238,257
Net Position, June 30	$ 3,089,101	$ 1,713,248	$ 973,491	$ 830,401	$ 4,062,592	$ 2,543,649

Governmental Activities

Governmental activities increased the net position of the School District by $1,375,853 during the current fiscal year. Key elements of the decrease in net position for governmental activities are as follows:

- General obligation bonds decreased by $1,720,000.
- Results of operations in the Governmental funds was a gain of $1,302,566

Business-type Activities

Business-type activities increased the School District's net position by $143,090. Key elements of the increase in net position for governmental activities are as follows:

- The School Age Child Care Program had a net gain of $93,722, the Food Service Fund had a net gain of $49,701 and School Store had a net loss of $333.

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 $10,518,400, an increase of $1,302,566 in comparison with the prior year. This increase is primarily due to the results of operations in the General Fund.

The unassigned fund balance for the School District at the end of the fiscal year includes unassigned fund balance for the General Fund of $223,543. 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 $2,484,260, 2) $1,969,158 maintenance reserve, 3) $2,260 reserved for repayment of debt, 4) $3,069,743 appropriated as a revenue source in the subsequent year's budget, 5) $158,642 reserved for encumbrances, and 7) $2,610,794 excess surplus which is reserved for future budget appropriation in accordance with state statute.

The general fund is the chief operating fund of the School District. As discussed earlier, the balance in the unreserved fund balance is due, primarily, to the accounting treatment of the last two state aid payments and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

General Fund Budgetary Highlights

There was no difference between the original budget and the final amended budget.

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the general fund was $1,091,660 while total fund balance (budgetary basis) was $11,327,533. 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 $50,818,770. Unreserved fund balance (budgetary basis) represents 2.15% of expenditures while total fund balance (budgetary basis) represents 22.29% 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 $50,007,862 (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 $1,003,290 or a 1.97% decrease. The decrease is primarily due to depreciation.

Capital Assets (net of accumulated depreciation)
June 30, 2019 and 2018

	Governmental Activities		Business-Type Activities		District-Wide	
	2019	2018	2019	2018	2019	2018
Land	$ 4,252,300	$ 4,252,300	$ -	$ -	$ 4,252,300	$ 4,252,300
Construction in Progress					-	-
Building and Building Improvements	43,085,217	44,260,828			43,085,217	44,260,828
Equipment	2,552,455	2,420,326	117,890	77,698	2,670,345	2,498,024
Net Assets	$ 49,889,972	$50,933,454	$ 117,890	$ 77,698	$ 50,007,862	$ 51,011,152

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 $37,140,000 in serial bonds payable, $839,520 in capital leases, and $1,836,843 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 $71,237,960. The available amount as of June 30, 2019 is $34,097,960.

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 a slight increase in state aid. The local tax levy in the General Fund increased by $585,350 or a 1.76% increase. The 2019-20 General Fund Budget is $1,723,095 more than the previous year.

- The tax rate for 2019 is $2.247, which is an increase of 0.26 cents per $100 over the previous year.

For the Future

The Cinnaminson Township Public School District is in very good financial condition presently. However, a major concern is maintaining aging buildings of the district with an increased reliance on local property taxes as state aid has remained stagnant. Cinnaminson Township is primarily a residential community, with very few large ratables; thus the burden is focused on homeowners to share the tax burden.

In conclusion, the Cinnaminson Township Public 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 Cinnaminson School District Business Administrator, PO Box 224, Cinnaminson, New Jersey, 08077.

Basic Financial Statements

District-Wide Financial Statements

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and cash equivalents	$ 5,407,828	$ 967,889	$ 6,375,717
Receivables, net	987,123	13,011	1,000,134
Inventory		12,928	12,928
Restricted assets:			
Capital reserve account	2,427,536		2,427,536
Maintenance reserve account	1,969,158		1,969,158
Capital assets, net (Note 5)	49,889,972	117,890	50,007,862
Total assets	60,681,617	1,111,718	61,793,335
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	4,768,424		4,768,424
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	65,450,041	1,111,718	66,561,759
LIABILITIES:			
Accounts payable			
Related to pensions	761,563		761,563
Other	240,459	33,275	273,734
Interfund Payable	(52,532)	52,532	-
Intergovernmental payable:			
State	49,107		49,107
Unearned revenue	36,211	52,420	88,631
Accrued interest due within one year	488,625		488,625
Noncurrent liabilities:			
Due within one year	1,899,635		1,899,635
Due beyond one year	53,280,260		53,280,260
Total liabilities	56,703,328	138,227	56,841,555
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of resources from pensions	5,657,612		5,657,612
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	62,360,940	138,227	62,499,167
NET POSITION:			
Net investment in capital assets	11,910,452	117,890	12,028,342
Restricted for:			
Capital Projects	2,484,260		2,484,260
Other purposes	7,810,597		7,810,597
Unrestricted	(19,116,208)	855,601	(18,260,607)
Total net position	$ 3,089,101	$ 973,491	$ 4,062,592

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

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

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Governmental activities:						
Instruction:						
Regular	$ 14,553,839	$ -	$ 188,537	$ (14,365,302)	$ -	$ (14,365,302)
Special education	3,695,721		602,524	(3,093,197)		(3,093,197)
Other instruction	3,375,211			(3,375,211)		(3,375,211)
Support Services:						
Tuition	1,041,634			(1,041,634)		(1,041,634)
Student & instruction related services	5,534,420		242,944	(5,291,476)		(5,291,476)
General administrative services	710,755			(710,755)		(710,755)
School administrative services	1,929,144			(1,929,144)		(1,929,144)
Central and technology adm. services	1,074,925			(1,074,925)		(1,074,925)
Plant operations and maintenance	3,503,950		63,372	(3,440,578)		(3,440,578)
Pupil transportation	2,966,304			(2,966,304)		(2,966,304)
Employee benefits	26,839,396		18,923,925	(7,915,471)		(7,915,471)
Interest on long-term debt	1,177,575		727,671	(449,904)		(449,904)
Unallocated depreciation and amortization	112,606			(112,606)		(112,606)
Total governmental activities	66,515,480		20,748,973	(45,766,507)		(45,766,507)
Business-type activities:						
Food service program	756,534	535,452	269,072		47,990	47,990
School age child care program	333,236	422,544			89,308	89,308
School store	34,508	34,075			(433)	(433)
Total business-type activities	1,124,278	992,071	269,072		136,865	136,865
Total primary government	$ 67,639,758	$ 992,071	$ 21,018,045	$ (45,766,507)	$ 136,865	$ (45,629,642)
General revenues:						
Taxes:						
Property taxes, levied for general purposes, net				33,448,562		33,448,562
Taxes levied for debt service				2,186,925		2,186,925
Federal and state aid not restricted				9,769,198		9,769,198
Tuition revenue				198,866		198,866
Transportation revenue				1,262,527		1,262,527
Miscellaneous revenue				276,282	6,225	282,507
Total general revenues, special items, and transfers				47,142,360	6,225	47,148,585
Change in Net Position				1,375,853	143,090	1,518,943
Net Position--July 1				1,713,248	830,401	2,543,649
Net Position--June 30				$ 3,089,101	$ 973,491	$ 4,062,592

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

Fund Financial Statements

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2019

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	$ 5,318,655	$ 30,189	$ 57,442	$ 1,542	$ 5,407,828
Receivables, net	802,167	147,462			949,629
Interfund receivable	139,563			718	140,281
Restricted cash and cash equivalents	4,396,694				4,396,694
Total assets	$ 10,657,079	$ 177,651	$ 57,442	$ 2,260	$ 10,894,432
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	165,258	75,201			240,459
Intergovernmental payable:					
State		49,107			49,107
Interfund payables		49,537	718		50,255
Unearned revenue	32,405	3,806			36,211
Total liabilities	197,663	177,651	718		376,032
Fund Balances:					
Restricted for:					
Excess surplus	2,610,794				2,610,794
Excess surplus - designated for subsequent year's expenditures	3,069,743				3,069,743
Maintenance reserve	1,969,158				1,969,158
Capital reserve	2,427,536				2,427,536
Assigned to:					
Year-end encumbrances	158,642		18,733		177,375
Subsequent year's expenditures				1,492	1,492
Unassigned	223,543		37,991	768	262,302
Total fund balances	10,459,416		56,724	2,260	10,518,400
Total liabilities and fund balances	$ 10,657,079	$ 177,651	$ 57,442	$ 2,260	

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 $81,413,326 and the accumulated depreciation is $31,523,354.		49,889,972
Accounts payable related to the April 1, 2020 required PERS contribution that is not to be liquidated with current financial resources.		(761,563)
Accrued interest is not due and payable in the current period and, therefore is not reported as a liability in the funds.		(488,625)
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	$ 4,768,424	
Net Pension Liability	(15,363,532)	
Deferred Inflows of resources from Pensions	(5,657,612)	(16,252,720)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
General Obligation Bonds	(37,140,000)	
Capital Leases Payable	(839,520)	
Compensated Absences	(1,836,843)	(39,816,363)
Net position of governmental activities		$ 3,089,101

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

CINNAMINSON 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
REVENUES:					
Local sources:					
Local tax levy	$ 33,448,562	$ -	$ -	$ 2,186,925	$ 35,635,487
Tuition charges	198,866				198,866
Transportation fees	1,262,527				1,262,527
Mainteance reserve interest	11,639				11,639
Capital reserve interest	12,237				12,237
Other restricted revenues	51,075				51,075
Miscellaneous	200,613		718		201,331
Total revenues-local sources	35,185,519		718	2,186,925	37,373,162
Local Sources		89,412			89,412
State sources	16,487,293	195,537		727,671	17,410,501
Federal sources	56,297	829,004			885,301
Total revenues	51,729,109	1,113,953	718	2,914,596	55,758,376
EXPENDITURES:					
Current expense:					
Regular instruction	12,933,837	188,537			13,122,374
Special education instruction	3,093,197	602,524			3,695,721
Other instruction	3,375,211				3,375,211
Support services and undistributed costs:					
Tuition	1,041,634				1,041,634
Student & instruction related services	5,291,476	242,944			5,534,420
General administrative services	710,755				710,755
School administrative services	1,929,144				1,929,144
Central services	614,705				614,705
Administrative technology services	460,220				460,220
Plant operations and maintenance	3,755,815				3,755,815
Pupil transportation	2,700,321				2,700,321
Employee benefits	14,277,330	16,576			14,293,906
Capital outlay	635,125	63,372	44,144		742,641
Debt service:					
Principal				1,720,000	1,720,000
Interest and other charges				1,201,950	1,201,950
Total expenditures	50,818,770	1,113,953	44,144	2,921,950	54,898,817
Excess (deficiency) of revenues over (under) expenditures	910,339		(43,426)	(7,354)	859,559
Other Financing Sources (Uses):					
Proceeds of Capital Lease	443,007				443,007
Transfer in				718	718
Transfer out			(718)		(718)
Total other financing sources (uses)	443,007	-	(718)	718	443,007
Net change in fund balance	1,353,346		(44,144)	(6,636)	1,302,566
Fund balances, July 1	9,106,070		100,868	8,896	9,215,834
Fund balances, June 30	$ 10,459,416	$ -	$ 56,724	$ 2,260	$ 10,518,400

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

CINNAMINSON 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)		$ 1,302,566
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
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 depreciation exceeded capital outlay in the current fiscal year.		
Depreciation expense	$ (1,773,217)	
Capital outlay	729,735	(1,043,482)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		1,720,000
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activites. This amount is the net effect of these differences.		23,944
The issuance of a capital lease increases long-term liabilities, however has no effect on fund balance.		(443,007)
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		394,203
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		(412,533)
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 reconcilation.		24,375
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 (+).		(190,213)
Change in net position of governmental activities		$ 1,375,853

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

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

	Business-type Activities Enterprise Funds			
	Food Service Fund	School Age Child Care Program	School Store	Total
ASSETS:				
Current assets:				
Cash and cash equivalents	$ 278,496	$ 676,789	$ 12,604	$ 967,889
Accounts receivable	11,276	1,735		13,011
Inventories	10,391		2,537	12,928
Total current assets	300,163	678,524	15,141	993,828
Noncurrent assets:				
Equipment	515,898	29,123		545,021
Less accumulated depreciation	(407,251)	(19,880)		(427,131)
Total noncurrent assets	108,647	9,243		117,890
Total assets	$ 408,810	$ 687,767	$ 15,141	$ 1,111,718
LIABILITIES:				
Current liabilities:				
Accounts payable	$ 32,922	$ 353	$ -	$ 33,275
Interfunds payable	52,532			52,532
Unearned revenue	13,315	39,105		52,420
Total liabilities	98,769	39,458	-	138,227
NET POSITION:				
Net investment in capital assets	108,647	9,243		117,890
Unrestricted	201,394	639,066	15,141	855,601
Total net position	$ 310,041	$ 648,309	$ 15,141	$ 973,491

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

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

	Business-type Activities Enterprise Funds			
	Food Service Fund	School Age Child Care Program	School Store	Total
Operating revenues:				
Charges for services:				
Daily sales-reimbursable programs	$ 301,422	$ -	$ -	$ 301,422
Daily sales-non-reimbursable programs	189,570			189,570
Special Functions	44,443			44,443
Sales			34,075	34,075
Program fees		422,544		422,544
Miscellaneous	17			17
Total operating revenue	535,452	422,544	34,075	992,071
Operating expenses:				
Salaries	310,039	231,923		541,962
Employee benefits	54,306	49,187		103,493
Supplies and materials	31,137	3,563		34,700
Depreciation	8,470	1,678		10,148
Management Fee	47,700			47,700
Direct expenses	10,722	541		11,263
Cost of sales - reimbursable programs	154,683			154,683
Cost of sales - nonreimbursable programs	121,453	6,083	34,508	162,044
Building usage		25,000		25,000
Other	18,024	15,261		33,285
Total operating expenses	756,534	333,236	34,508	1,124,278
Operating income (loss)	(221,082)	89,308	(433)	(132,207)
Nonoperating revenues (expenses):				
State sources:				
State school lunch program	7,240			7,240
Federal sources:				
National school lunch program	174,175			174,175
Special milk program	1,970			1,970
U.S.D.A. commodities	61,764			61,764
Local sources:				
Contributed Capital	23,923			23,923
Interest revenue	1,711	4,414	100	6,225
Total nonoperating revenues (expenses)	270,783	4,414	100	275,297
Change in net position	49,701	93,722	(333)	143,090
Total net position - July 1	260,340	554,587	15,474	830,401
Total net position - June 30	$ 310,041	$ 648,309	$ 15,141	$ 973,491

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

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

	Business-type Activities Enterprise Funds			
	Food Service Fund	School Age Child Care Program	Student Store	Total
Cash flows from operating activities:				
Receipts from customers	$ 543,565	$ 419,839	$ 34,075	$ 997,479
Payments to employees for services	(291,052)	(281,110)		(572,162)
Payments to suppliers	(328,840)	(50,095)	(32,538)	(411,473)
Net cash used for operating activities	(76,327)	88,634	1,537	13,844
Cash flows from noncapital financing activities:				
Donations				
Cash received from federal and state sources	178,846			178,846
Net cash provided by non-capital financing activities	178,846			178,846
Cash flows from capital activities:				
Purchases of fixed assets	(26,417)			(26,417)
	(26,417)			(26,417)
Cash flows from investing activities:				
Interest and dividends	1,711	4,414	100	6,225
Net cash provided by investing activities	1,711	4,414	100	6,225
Net increase in cash and cash equivalents	77,813	93,048	1,637	172,498
Balances - July 1	200,683	583,741	10,967	795,391
Balances - June 30	$ 278,496	$ 676,789	$ 12,604	$ 967,889
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	$ (221,082)	$ 89,308	$ (433)	$ (132,207)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	8,470	1,678		10,148
Federal commodities	61,764			61,764
(Increase) decrease in accounts receivable	5,062	(1,735)		3,327
(Increase) decrease in inventory	2,113		1,970	4,083
Increase (decrease) in unearned revenue	3,051	(970)		2,081
Increase (decrease) in interfunds payable	52,532			52,532
Increase (decrease) in accounts payable	11,763	353		12,116
Total adjustments	144,755	(674)	1,970	146,051
Net cash provided by (used for) operating activities	$ (76,327)	$ 88,634	$ 1,537	$ 13,844

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

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

	Private Purpose Trusts	Flexible Benefits Account	Unemployment Compensation Insurance Trust	Agency Funds
ASSETS:				
Cash and cash equivalents	$ 53,954	$ 14,353	$ 430,823	$ 1,931,871
Total assets	53,954	14,353	430,823	1,931,871
LIABILITIES:				
Accounts payable	-	-	904	-
Payroll deductions and withholdings	-	-	-	413,207
Due to Cinnaminson Education Assoc.	-	-	-	3,952
Due to employees	-	-	-	1,119,989
Interfund payable	-	12,606	-	24,888
Due to student groups	-	-	-	369,835
Total liabilities	-	12,606	904	$ 1,931,871
NET POSITION:				
Reserved for private purpose trusts	$ 53,954			
Held in trust for unemployment claims			$ 429,919	
Held in trust for flexible benefit expenditures		$ 1,747		

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

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

	Private Purpose Trust Funds		
	Scholarship Fund	Flexible Benefit Trust	Unemployment Compensation Insurance Trust
ADDITIONS:			
Donations	$ 7,415	$ -	$ -
Board contribution			
Employee withholdings		78,736	47,826
Total Contributions	7,415	78,736	47,826
Investment earnings:			
Interest	430		3,009
Net investment earnings	430		3,009
Total additions	7,845	78,736	50,835
DEDUCTIONS:			
Unemployment claims			4,623
Flexible benefit payments		85,624	
Transfer to General Fund			
Bank service charges			
Scholarships awarded	10,050		
Total deductions	10,050	85,624	4,623
Change in net position	(2,205)	(6,888)	46,212
Net position - July 1	56,159	8,635	383,707
Net position - June 30	$ 53,954	$ 1,747	$ 429,919

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

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

1. DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity - The Cinnaminson Township School District (District) is a Type II school district located in Burlington County, New Jersey and covers an area of approximately 7.5 miles. As a Type II school 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 all of Cinnaminson’s students in grades K through 12. The Cinnaminson Township School District has an approximate enrollment at June 30, 2019 of 2,554 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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The School District's enterprise funds are:

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

Student Store - This fund accounts for all revenues and expenses pertaining to the operations of the student store.

School Age Child Care - This fund accounts for all revenues and expenses pertaining to the operations of the before and after school program sponsored by the 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, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued) – Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Basis of Accounting

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

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

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

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

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

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, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year-end.

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of and the proprietary fund statement of net position.

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

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.

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

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

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

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2019, the amounts earned by these employees were disbursed to the employees' own individual accounts.

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

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

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

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Liabilities and Long-Term Obligations (Continued) - 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:

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

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.

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. 17:9-41et 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 $13,845,092 as of June 30, 2019, $500,000 was insured under FDIC and the remaining balance of $13,345,092 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

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

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

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		$ 1,665,298
Increased by:		
Interest earned	$ 12,237	
Board Resolution	750,000	762,237
		2,427,535
Decreased by:		
Budget withdrawal		-
Balance – June 30, 2019		$ 2,427,535

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

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2019 consisted of tuition fees charged other governmental units and governmental grants. All receivables are considered collectible in full due to the stable condition of the other governmental units, State programs and the current fiscal year guarantee of federal funds.

Accounts receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Funds	Total
State Aid	$ 537,724	$ 1,924	$ 421	$ 540,069
Federal Aid		78,166	10,123	88,289
Transportation Fees	263,153			263,153
Tuition Fees	1,290			1,290
Other		67,372	2,467	69,839
Total Accounts Receivable	$ 802,167	$ 147,462	$ 13,011	$ 962,640

5. CAPITAL ASSETS

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

	Balance June 30, 2018	Additions	Adjustments/ Deletions	Balance June 30, 2019
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	$ 4,252,300	$ -	$ -	$ 4,252,300
Construction in Progress	-			-
Total Capital Assets not being Depreciated	4,252,300	-	-	4,252,300
Capital Assets, being depreciated:				
Building and Improvements	67,271,925			67,271,925
Equipment	9,199,866	729,735	40,500	9,889,101
Total Historical Cost	76,471,791	729,735	40,500	77,161,026
Less Accumulated Depreciation:				
Building and Improvements	(23,011,097)	(1,175,611)		(24,186,708)
Equipment	(6,779,540)	(597,606)	(40,500)	(7,336,646)
Total Accumulated Depreciation	(29,790,637)	(1,773,217)	(40,500)	(31,523,354)
Total Capital Assets, being depreciated, net	46,681,154	(1,043,482)	-	45,637,672
Governmental Activities Capital Assets, Net	$ 50,933,454	$ (1,043,482)	$ -	$ 49,889,972
Business-Type Activities:				
Equipment	$ 494,681	$ 50,340	$ -	$ 545,021
Less - Accumulated Depreciation	(416,983)	(10,148)		(427,131)
Business-Type Activities Capital Assets, Net	$ 77,698	$ 40,192	$ -	$ 117,890

Depreciation expense in the amount of $1,773,217 was charged to governmental functions as follows:

Function	Amount
Instruction	$ 1,241,252
Plant Operations and Maintenance	177,322
Transportation	265,983
Unallocated	88,662
Total	$ 1,773,217

6. INVENTORY

Inventory in the Proprietary Funds at June 30, 2019 consisted of the following:

	Food Service	School Store
Food	$ 9,338	$ -
Supplies	1,053	2,537
	$ 10,391	$ 2,537

7. LONG-TERM OBLIGATIONS

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

	Principal Outstanding July 1, 2018	Additions	Reductions	Principal Outstanding June 30, 2019	Amounts Due Within One Year
School Bonds	$ 38,860,000	$ -	$ 1,720,000	$ 37,140,000	$ 1,550,000
Unamortized Premium	23,944		23,944		
Total School Bonds	38,883,944		1,743,944	37,140,000	1,550,000
Capital Leases Payable	790,716	443,007	394,203	839,520	318,953
Compensated Absences	1,646,630	333,008	142,795	1,836,843	30,682
Net Pension Liability	18,818,831		3,455,299	15,363,532	
	$ 60,140,121	$ 776,015	$ 5,736,241	$ 55,179,895	$ 1,899,635

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:

2014 School Bonds dated December 18, 2014 in the amount of $37,140,000 due in annual installments through August 1, 2039 bearing interest rates ranging from 3.00% - 3.50%.

Principal and interest due on bonds outstanding is as follows:

Year ending June 30,	Principal	Interest	Total
2020	$ 1,550,000	$ 1,149,450	$ 2,699,450
2021	1,615,000	1,101,975	2,716,975
2022	1,675,000	1,052,625	2,727,625
2023	1,725,000	1,001,625	2,726,625
2024	1,775,000	949,125	2,724,125
2025-2029	9,000,000	3,937,500	12,937,500
2030-2034	9,000,000	2,572,875	11,572,875
2035-2039	9,000,000	1,096,875	10,096,875
2040	1,800,000	31,500	1,831,500
	$ 37,140,000	$ 12,893,550	$ 50,033,550

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.

7. LONG-TERM OBLIGATIONS (Continued)

Capital Leases

The District is leasing fourteen school buses, two vans, one tractor, and one truck totaling $839,520 under capital leases. The following is a schedule of the future minimum lease payments under these capital lease agreements:

Year Ending June 30,	Principal	Interest	Total
2020	$ 318,953	$ 15,446	$ 334,399
2021	253,922	8,968	262,890
2022	175,950	3,789	179,739
2023	90,695	2,947	93,642
	$ 839,520	$ 31,150	$ 870,670

8. OPERATING LEASES

At June 30, 2019, the District had operating lease agreements in effect for the following:

Copiers
Mail Machine

Total operating lease payments made during the year ended June 30, 2018 and 2019 were $52,358 and $49,841 respectively. Future minimum lease payments are as follows:

Year Ended	Amount
June 30, 2020	$ 1,017
Total future minimum lease payments	$ 1,017

9. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

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

9. PENSION PLANS (Continued)

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

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 $1/55^{th}$ 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 $1/60^{th}$ 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 $2,678,213 and was paid by April 1, 2019. School District employee contributions to the pension plan during the fiscal year ended June 30, 2019 were $1,491,163.

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.

9. PENSION PLANS (Continued)

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

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 $6,570,745 and revenue of $6,570,745 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 (Non-Employer – 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	112,712,505	115,368,671
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.1771711895%	.1711102056%

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

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

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

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

9. PENSION PLANS (Continued)

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

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

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

Discount rate. The discount rate used to measure the State's total pension liability was 4.86% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be made based on the contribution rate in the most recent fiscal year. The state contributed 50% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

9. PENSION PLANS (Continued)

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

	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
District's proportionate share of the net pension liability	$ -	$ -	$ -
State's proportionate share of the net pension liability associated with the School District	133,224,040	112,712,505	95,708,942
	$ 133,224,040	$ 112,712,505	$ 95,708,942

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

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012. The member contribution rate was 7.50% 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 13.21% 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 $776,137 and was paid by April 1, 2019. School District employee contributions to the pension plan during the fiscal year ended June 30, 2019 were $432,281.

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:

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Longterm Disability	Total Liability Paid by District
2019	$ 96,989	$ 643,856	$ 35,292	$ 4,140	$ 780,277
2018	98,573	613,841	36,505	14,698	763,617
2017	107,155	545,323	32,564	-	685,042

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

At June 30, 2019, the School District reported a liability of $15,363,532 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

For the year ended June 30, 2019, the School District recognized pension expense of $1,188,669. At June 30, 2019, the School District reported a liability of $15,363,532 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	$ 292,985	$ 79,219
Changes of assumptions	2,531,656	4,912,441
Net Difference between projected and actual earnings on pension plan investments		144,111
Changes in proportion	1,182,220	521,841
District contributions subsequent to the measurement date	761,563	
Total	$ 4,768,424	$ 5,657,612

$761,563 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 Outlows (Inflows) of Resources
2020		$ 219,490
2021		(65,245)
2022		(763,881)
2023		(643,492)
2024		(397,622)
Total		$ (1,650,750)

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
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:

	6/30/2018	6/30/2017
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	.0780990550%	.0808424543%

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.

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 therafter. 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.

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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:

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

Discount rate. The discount rate used to measure the State's total pension liability was 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%) that the current rate:

	1% Decrease (4.66%)	Current Discount Rate (5.66%)	1% Increase (6.66%)
School Distict's proportionate share of the net pension liability	$ 19,317,871	$ 15,363,532	$ 12,046,094

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.

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 re-measured 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.

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

Inflation	2.50%		

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

Preretirement mortality rates were based on the RP-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.

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	$	98,568,495
Changes for the years'		
Service Cost	$	3,840,813
Interest		3,626,626
Changes of benefit terms		
Differences between expected and actual experience		(7,358,709)
Changes in assumptions		(9,928,107)
Gross Benefit Payments		(2,313,398)
Contributions from the Non-employer		N/A
Contributions from the Member		79,955
Net Investment Income		N/A
Adminsitrative Expense		N/A
Net Changes	$	(12,052,820)
Balance at 06/30/2018	$	86,515,675

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	$ 102,279,139	$ 86,515,675	$ 73,985,349

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	Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	$ 104,669,787	$ 86,515,675	$ 70,373,227

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 $4,373,542 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	$ -	$ 8,398,278
Changes of assumptions	-	19,392,931
Total	$ -	$ 27,791,209

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		$ (3,424,575)
2020		(3,424,575)
2021		(3,424,575)
2022		(3,424,575)
2023		(3,424,575)
Therafter		(10,668,334)
Total		$ (27,791,209)

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

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2019, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long term disability insurance were $3,667,567, $1,663,602 and $2,949 respectively. In addition, $1,410,274 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 School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

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

Joint Insurance Pool - The School District is a member of the School Alliance Insurance Fund. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report.

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

The Fund publishes its own financial report which can be obtained at: School Alliance Insurance Fund, c/o PEGAS, 51 Everett Drive, Suite B-40 West Windsor, New Jersey, 08550.

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

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

Fiscal Year	District Contributions	Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2018-2019	$ -	$ 47,826	$ 3,009	$ 4,623	$ 429,919
2017-2018	-	46,709	1,891	6,844	383,707
2016-2017	-	45,369	298	20,915	341,951
2015-2016	25,000	43,494	266	18,825	317,199
2014-2015	25,000	41,654	236	9,486	267,264

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.

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2019, the liability for compensated absences in the governmental activities was $1,836,843.

15. INTERFUND BALANCES AND TRANSFERS

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

Fund	Interfund Receivable	Interfund Payable
General	$ 139,563	$ -
Special Revenue		49,537
Capital Projects		718
Debt Service	718	
Proprietary		52,532
Fiduciary		37,494
	$ 140,281	$ 140,281

16. CONTINGENCIES

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

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

17. FLEXIBLE BENEFITS PROGRAM

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

17. FLEXIBLE BENEFITS PROGRAM (Continued)

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

Fiscal Year	Interest Earnings	Employee Contributions	Amount Reimbursed	Ending Balance
2018-2019	$ -	$ 78,736	$ 85,624	$ 1,747
2017-2018	-	79,460	84,040	8,635
2016-2017	-	79,259	81,817	13,215
2015-2016	13	84,374	83,919	15,773
2014-2015	14	82,989	82,775	15,305

18. TAX ABATEMENTS

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

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

The Township of Cinnaminson (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 from the annual service charge in lieu of payment of taxes in 2018. The assessed value on these tax exemption properties amounted to $21,390.300 which would have resulted in 2018 taxes billed in full of $748,019. A portion of the abatement would have been allocated to the District.

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2019, a deficit of $19,116,208 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances, June 30, 2019:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Unassigned	$ 223,543
Liabilities:	
Net Pension Differences	(17,014,283)
Accrued Interest Payable	(488,625)
Compensated Absences	(1,836,843)
Unrestricted Net Position (Deficit)	$ (19,116,208)

20. FUND BALANCES

The School District has classified its fund balances with the following hierarchy:

Nonspendable – The School District does not have any nonspendable funds.

Spendable – The School District has classified the spendable fund balances as *Restricted, Assigned and Unassigned* and considered each to have been spent when expenditures are incurred. The School District currently has no funds classified as *Committed.*

Restricted Items:

Capital Reserve – As of June 30, 2019, the balance in the capital reserve account is $2,427,536 which is restricted for future capital outlay expenditures for capital projects in the School District's approved Long-Range Facilities Plan. Of this amount $250,000 has been designated for use in the 2019-2020 budget.

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2019 is $2,610,794. Additionally, $3,069,743 of excess fund balance generated during the 2017-2018 fiscal year has been restricted and designated for utilization in the 2019-2020 budget.

Maintenance Reserve Account – As of June 30, 2019, the balance in the maintenance reserve account is $1,969,158. 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). Of this amount $400,000 has been designated for use in the 2019-2020 budget.

20. FUND BALANCES (CONTINUED)

Assigned:

General Fund:

Year-end Encumbrances – At June 30, 2019 a total of $158,642 in the General Fund is committed to meet contractual obligations. The School District has purchase orders outstanding with vendors in this amount and expects the vendors to deliver the goods and services in the upcoming year.

Capital Projects Fund:

Year-end Encumbrances – At June 30, 2019 a total of $18,733 in the Capital Projects is committed to meet contractual obligations. The School District has purchase orders outstanding with vendors in this amount and expects the vendors to deliver the goods and services in the upcoming 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, 2019, $1,492 of debt service fund balance.

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, $223,543 of the general fund balance was unassigned.

Capital Projects Fund – As of June 30, 2019, $37,991 of the capital projects fund balance was unassigned.

Debt Service Fund – As of June 30, 2019, $768 of debt service fund balance was unassigned.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2019

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	$ 33,448,562	$ -	$ 33,448,562	$ 33,448,562	$ -
Tuition from Indiviudals				50,803	50,803
Tuition from other LEAs	70,000		70,000	148,063	78,063
Transportation fees from other LEAs	900,000		900,000	1,262,527	362,527
Maintenance reserve interest	100		100	11,639	11,539
Capital reserve interest	100		100	12,237	12,137
Other restricted revenues	50,000		50,000	51,075	1,075
Unrestricted miscellaneous revenue	70,564		70,564	200,613	130,049
Total local sources	34,539,326		34,539,326	35,185,519	646,193
State sources:					
Extraordinary Aid	250,000		250,000	444,125	194,125
Additional Non-Public Transportation Aid				24,908	24,908
Categorical Special Education Aid	1,385,471		1,385,471	1,385,471	
Equalization Aid	7,371,587		7,371,587	7,371,587	
Categorical Security Aid	57,475		57,475	57,475	
Categorical Transportation Aid	483,083		483,083	483,083	
On-behalf TPAF Pension (non-budgeted)				3,667,567	3,667,567
On-behalf TPAF Medical contributions (non-budgeted)				1,663,602	1,663,602
On-behalf TPAF Pension LTDI (non-budgeted)				2,949	2,949
Reimbursed TPAF social security contributions (non-budgeted)				1,410,274	1,410,274
Total state sources	9,547,616		9,547,616	16,511,041	6,963,425
Federal sources:					
Medicaid reimbursement	30,376		30,376	56,297	25,921
Total federal sources	30,376		30,376	56,297	25,921
TOTAL REVENUES	44,117,318		44,117,318	51,752,857	7,635,539
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	67,290	102	67,392	67,392	
Kindergarten	376,245	7,540	383,785	380,683	3,102
Grades 1-5	4,302,249	(31,330)	4,270,919	4,089,441	181,478
Grades 6-8	3,384,140	(6,200)	3,377,940	3,291,730	86,210
Grades 9-12	4,409,358	(23,500)	4,385,858	4,174,569	211,289
Total Instruction	12,539,282	(53,388)	12,485,894	12,003,815	482,079
Regular Programs - Home Instruction:					
Salaries of teachers	35,000		35,000	22,815	12,185
Purchased professional - educ services	20,000		20,000	14,477	5,523
Total Home Instruction	55,000		55,000	37,292	17,708
Regular Programs - Undistributed Instruction:					
Other salaries for instruction		20,000	20,000	16,580	3,420
Purchased professional - educ services	12,895		12,895	9,052	3,843
Other purchased services	235,171	125	235,296	196,187	39,109
General supplies	598,189	15,014	613,203	574,471	38,732
Textbooks	109,000	(7,700)	101,300	84,074	17,226
Other objects	14,290	9,000	23,290	12,366	10,924
Total Undistributed Instruction	969,545	36,439	1,005,984	892,730	113,254
Total - Regular Programs - Instruction	13,563,827	(16,949)	13,546,878	12,933,837	613,041

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

(CONTINUED TO NEXT PAGE)

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
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: Behavioral Disabilities					
Salaries of teachers	$ 65,000	$ -	$ 65,000	$ 59,512	$ 5,488
Other salaries for instruction	25,000	17,000	42,000	41,525	475
General supplies		6,500	6,500	4,941	1,559
Total Behavioral Disabilities	90,000	23,500	113,500	105,978	7,522
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	545,139	13,750	558,889	523,873	35,016
Other salaries for instruction	256,589	(31,000)	225,589	147,046	78,543
General supplies	14,250	2,800	17,050	11,671	5,379
Total Multiple Disabilities	815,978	(14,450)	801,528	682,590	118,938
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	2,118,271	(57,829)	2,060,442	2,002,654	57,788
Other salaries for instruction	188,400	(2,209)	186,191	183,404	2,787
General supplies	26,225	6,000	32,225	25,600	6,625
Total Resource Room/Resource Center	2,332,896	(54,038)	2,278,858	2,211,658	67,200
Special Educ Instruction: Preschool Disb - PT					
Salaries of teachers	70,034	30,000	100,034	74,519	25,515
Other salaries for instruction	16,000	(102)	15,898		15,898
General supplies	1,100	7,950	9,050	5,090	3,960
Total Preschool Disabilities - Part-Time	87,134	37,848	124,982	79,609	45,373
Special Educ Instruction: Home Instruction					
Salaries of teachers	25,000		25,000	3,533	21,467
Purchased professional - educ services	80,000		80,000	9,829	70,171
General Supplies	500		500		500
Total Home Instruction	105,500		105,500	13,362	92,138
Total Special Education - Instruction	3,431,508	(7,140)	3,424,368	3,093,197	331,171
Basic Skills/Remedial - Instruction					
Salaries of teachers	1,371,137	6,200	1,377,337	1,373,426	3,911
Other salaries for instruction	329,336	2,209	331,545	331,325	220
General supplies	19,500	351	19,851	11,871	7,980
Total Basic Skills/Remedial - Instruction	1,719,973	8,760	1,728,733	1,716,622	12,111
Bilingual Education - Instruction					
Salaries of teachers	128,730	7,700	136,430	136,408	22
Purchased professional - educ services	1,300	1,850	3,150	2,861	289
Other purchased services	600	(350)	250	125	125
Textbooks	2,000	500	2,500	2,500	
General supplies	2,500	(500)	2,000	2,000	
Total Bilingual Education - Instruction	135,130	9,200	144,330	143,894	436
School-Sponsored Cocurricular Act - Inst.					
Salaries	327,773	3,705	331,478	307,943	23,535
Purchased services	50,920		50,920	41,020	9,900
Supplies and materials	35,126	(10,000)	25,126	21,427	3,699
Other objects	872		872	15	857
Total School-Sponsored Cocurr. Act. - Inst.	414,691	(6,295)	408,396	370,405	37,991

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

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CINNAMINSON TOWNSHIP SCHOOL DISTRICT
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
School-Sponsored Athletics - Inst.					
Salaries	$ 886,102	$ 4,124	$ 890,226	$ 874,171	$ 16,055
Unused vacation to retired/terminated employees					
Purchased services	115,722		115,722	93,238	22,484
Supplies and materials	149,760	(2,761)	146,999	122,019	24,980
Other objects	33,710	(3,000)	30,710	28,862	1,848
Total School-Sponsored Athletics - Inst.	1,185,294	(1,637)	1,183,657	1,118,290	65,367
Other Instructional Programs - Instruction					
Salaries	27,500		27,500	26,000	1,500
Purchased prof ed services	1,500		1,500		1,500
Supplies and materials	1,000		1,000		1,000
Total Other Instructional Programs - Inst.	30,000		30,000	26,000	4,000
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - regular	120,000		120,000	51,984	68,016
Tuition to other LEAs within the state - special	91,000		91,000	26,592	64,408
Tuition county voc. school dist. - regular	27,040		27,040	27,040	
Tuition county voc. school dist. - special	16,900		16,900	16,900	
Tuition to CSSD & reg. day schools	502,500	(90,752)	411,748	257,614	154,134
Tuition to priv. sch. for the disabled w/i state	611,645	(60,600)	551,045	498,625	52,420
Tuition - state facilities	108,741		108,741	108,741	
Tuition - other	54,500		54,500	54,138	362
Total Undistributed Expenditures - Instruction	1,532,326	(151,352)	1,380,974	1,041,634	339,340
Undistributed Expenditures - Attendance & Social Work					
Salaries	179,639	53,650	233,289	232,268	1,021
Other Purchased services	17,000	2,400	19,400	18,245	1,155
Other Objects		100	100	20	80
Total Undistributed Expenditures - Attendance & Soc.	196,639	56,150	252,789	250,533	2,256
Undistributed Expenditures - Health Services					
Salaries	394,228	2,490	396,718	392,050	4,668
Purchased Professional and Technical Services	18,050		18,050	17,685	365
Other purchased services	11,036	575	11,611	8,757	2,854
Supplies and materials	16,219	78	16,297	11,829	4,468
Other objects	369	100	469	450	19
Total Undistributed Expenditures - Health Svcs.	439,902	3,243	443,145	430,771	12,374
Undist. Expend. - Speech, OT, PT & Rel. Serv.					
Salaries	265,332	24,000	289,332	283,283	6,049
Purchased professional - educ services	253,166	4,919	258,085	225,786	32,299
Supplies and materials	1,800	200	2,000	2,000	
Total Undist. Expend. - OT, PT & Rel. Serv.	520,298	29,119	549,417	511,069	38,348
Undist. Expend. - Other Supp. Serv. Stud. - Extra					
Salaries	1,077,052	56,000	1,133,052	1,090,319	42,733
Purchased professional - educ services	156,300	(4,919)	151,381	66,959	84,422
Supplies and materials	5,500		5,500	835	4,665
Total Undst. Expend. - Other Supp. Serv. Stud. - Extra	1,238,852	51,081	1,289,933	1,158,113	131,820
Undist. Expend. - Guidance					
Salaries of other professional staff	630,079		630,079	624,579	5,500
Salaries of secretarial and clerical assistants	184,868	(1,931)	182,937	144,459	38,478
Other purchased services	9,027	(40)	8,987	8,042	945
Supplies and materials	4,066	111	4,177	3,781	396
Other objects	3,959	(129)	3,830	3,540	290
Total Undst. Expend. - Guidance	831,999	(1,989)	830,010	784,401	45,609

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

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CINNAMINSON TOWNSHIP SCHOOL DISTRICT
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. - Child Study Team					
Salaries of other professional staff	$ 828,635	$ -	$ 828,635	$ 814,434	$ 14,201
Salaries of secretarial and clerical assistants	141,625	(1,337)	140,288	138,122	2,166
Other purchased prof. and tech. services	100,000	(13,750)	86,250	26,738	59,512
Misc Purchased Services	56,000	10,000	66,000	46,948	19,052
Supplies and materials	66,590	(2,200)	64,390	21,332	43,058
Other objects	5,000		5,000	845	4,155
Total Undst. Expend. - Child Study Team	1,197,850	(7,287)	1,190,563	1,048,419	142,144
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	490,378	28,001	518,379	518,357	22
Salaries of other professional staff	29,137	(5,500)	23,637	20,633	3,004
Salaries of secretarial and clerical assistants	78,956	(15,546)	63,410	63,409	1
Purchased professional - educ services	10,500	2,500	13,000	10,198	2,802
Other purchased services	4,100	3,900	8,000	6,935	1,065
Supplies and materials	5,500	(612)	4,888	3,651	1,237
Other objects	14,275	4,762	19,037	17,870	1,167
Total Undst. Expend. - Improvement of Instr. Services	632,846	17,505	650,351	641,053	9,298
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	273,944	1,337	275,281	274,410	871
Other purchased services	36,390	(280)	36,110	29,156	6,954
Supplies and materials	42,161	(330)	41,831	40,735	1,096
Total Undst. Expend. - Educ. Media Serv./Sch. Library	352,495	727	353,222	344,301	8,921
Undist. Expend. - Instructional Staff Training Services					
Salaries of supervisor of instruction	70,000	4,501	74,501	74,500	1
Salaries of secretarial and clerical assistance	32,164	1,422	33,586	33,586	
Purchased professional education services		4,800	4,800	750	4,050
Other purchased services	19,800	(4,800)	15,000	13,980	1,020
Total Undst. Expend. - Instructional Staff Training Services	121,964	5,923	127,887	122,816	5,071
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	337,550	(1,422)	336,128	335,393	735
Legal services	80,000	(2,000)	78,000	68,438	9,562
Audit fees	30,000		30,000	29,900	100
Other purchased professional services	6,000		6,000	4,520	1,480
Communications / telephone	120,100		120,100	91,926	28,174
BOE - Other purchased services	5,000		5,000	3,295	1,705
Other purchased services	137,000	9,220	146,220	121,954	24,266
General supplies	8,351	209	8,560	8,172	388
Judgements against the school district		20,000	20,000	20,000	
Miscellaneous expenditures	6,250	3,280	9,530	9,293	237
BOE Membership dues and fees	19,000	(750)	18,250	17,864	386
Total Undst. Expend. - Supp. Serv. General Admin.	749,251	28,537	777,788	710,755	67,033
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	1,069,142	64,375	1,133,517	1,099,581	33,936
Salaries of other professional staff	139,505	31,600	171,105	167,887	3,218
Salaries of secretarial and clerical assistants	623,730	(50,600)	573,130	558,192	14,938
Unused vacation to retired/terminated employees		36,302	36,302	36,301	1
Other purchased services	15,129		15,129	10,451	4,678
Supplies and materials	49,148	(3,749)	45,399	42,317	3,082
Other objects	16,711	600	17,311	14,415	2,896
Total Undst. Expend. - Supp. Serv. School Admin.	1,913,365	78,528	1,991,893	1,929,144	62,749

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

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CINNAMINSON TOWNSHIP SCHOOL DISTRICT
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. - Central Services					
Salaries	$ 535,357	$ (4,520)	$ 530,837	$ 504,620	$ 26,217
Purchased professional services	55,000	5,500	60,500	56,424	4,076
Miscellaneous purchased services	27,100		27,100	24,666	2,434
Supplies and materials	21,000	2,391	23,391	23,343	48
Miscellaneous expenditures	10,245	(1,500)	8,745	5,652	3,093
Total Undst. Expend. - Central services	648,702	1,871	650,573	614,705	35,868
Undist. Expend. - Admin. Info. Tech.					
Salaries	460,000		460,000	440,205	19,795
Other purchased services	24,420		24,420	16,546	7,874
Supplies and materials	7,500	4,000	11,500	3,469	8,031
Total Undst. Expend. - Admin. Info. Tech.	491,920	4,000	495,920	460,220	35,700
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	247,000		247,000	228,257	18,743
Cleaning, repair, and maintenance services	362,365	(24,000)	338,365	181,254	157,111
Lead testing of drinking water	2,500		2,500	1,437	1,063
General supplies	62,000	10,000	72,000	66,834	5,166
Total Undst. Expend. - Required Maint. Sch. Facilities	673,865	(14,000)	659,865	477,782	182,083
Undist. Expend. - Custodial Services					
Salaries	1,098,917	2,520	1,101,437	979,535	121,902
Salaries of Non-Instructional Aides	141,860		141,860	104,533	37,327
Purchased professional & tech. services	12,500		12,500	8,467	4,033
Cleaning, repair, and maintenance services	67,640	54,892	122,532	97,446	25,086
Other purchased property services	515,000	(7,500)	507,500	488,586	18,914
Insurance	264,500	(3,452)	261,048	261,048	
Miscellaneous purchased services	40,500	(7,000)	33,500	29,590	3,910
General supplies	168,200	23,500	191,700	188,964	2,736
Energy (natural gas)	225,000	(10,000)	215,000	185,195	29,805
Energy (electricity)	700,500	(10,000)	690,500	639,817	50,683
Other objects	6,000		6,000	5,865	135
Total Undst. Expend. - Other oper. & Maint. of Plant	3,240,617	42,960	3,283,577	2,989,046	294,531
Undist. Expend. - Care & Upkeep of Grounds					
Salaries	144,120		144,120	142,796	1,324
Total Undst. Expend. - Care & Upkeep of Grounds	144,120		144,120	142,796	1,324
Undist. Expend. - Security					
Purchased professional and technical services	100,000	50,550	150,550	126,938	23,612
Cleaning, Repair, and Maintenance services	43,700		43,700	5,448	38,252
Other purchased services		2,000	2,000		2,000
General supplies	7,050	9,950	17,000	13,805	3,195
Total Undst. Expend. - Security	150,750	62,500	213,250	146,191	67,059
Total Undst. Expend. - Oper. & Maint. of Plant Services	4,209,352	91,460	4,300,812	3,755,815	544,997

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

(CONTINUED TO NEXT PAGE)

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
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. - Student Transportation Services					
Salaries of non-instructional aides	$ 332,500	$ (3,500)	$ 329,000	$ 272,516	$ 56,484
Salaries for pupil trans. (bet home & sch) - reg.	832,000	(3,200)	828,800	730,289	98,511
Salaries for pupil trans. (bet home & sch) - spec ed.	590,000		590,000	532,774	57,226
Salaries for pupil trans. (other than bet home & sch)	169,915	11,200	181,115	155,700	25,415
Salaries for pupil trans. (bet h&s) - nonpublc sch	64,500		64,500	64,500	
Purchased professional and technical services	4,500		4,500	2,225	2,275
Cleaning, repair, and maintenance services	20,000	25,000	45,000	26,020	18,980
Lease purchase payments - school buses	400,000	(10,000)	390,000	389,160	840
Contr. serv. (bet. home & sch.) - vendors	25,000	(25,000)			
Contr. serv. (other than bet. home & sch.) - vendors	4,900	1,500	6,400	2,123	4,277
Contr. serv. (bet home & sch) - joint agreements	30,000		30,000	28,941	1,059
Contr. serv. (sp ed stds) - vendors	20,000	(5,000)	15,000		15,000
Contr. serv. (sp ed stds) - joint agreements	20,000	(10,000)	10,000		10,000
Contr. serv. (sp ed stds) - ESCs & CTSAs	50,000	(21,000)	29,000	3,314	25,686
Contr. serv. - aid in lieu of payments	90,000	5,000	95,000	90,626	4,374
Miscellaneous purchased services	28,300	1,000	29,300	22,813	6,487
Transportation Supplies	479,101	(32,825)	446,276	375,895	70,381
Other objects	6,100		6,100	3,425	2,675
Total Undst. Expend. - Student Transportation Services	3,166,816	(66,825)	3,099,991	2,700,321	399,670
Custodial Services					
Workers Compensation	90,000	(5,000)	85,000	85,000	
Total Custodial Service	90,000	(5,000)	85,000	85,000	
Student Transportation Services - Employee Benefits					
Social security contributions	158,500		158,500	125,127	33,373
Workmen's compensation	95,000	(1,000)	94,000	85,000	9,000
Health benefits	378,000		378,000	374,161	3,839
Total Student Transportation Services - Employee Ben.	631,500	(1,000)	630,500	584,288	46,212
Total Allocated Benefits - Employee Benefits	721,500	(6,000)	715,500	669,288	46,212
Unallocated Benefits - Employee Benefits					
Social security contributions	605,000	12,010	617,010	605,800	11,210
Other retirement contributions - PERS	825,000	(44,010)	780,990	780,277	713
Workmen's compensation	222,500	(12,200)	210,300	207,342	2,958
Health benefits	5,572,000	(198,101)	5,373,899	5,001,969	371,930
Tuition reimbursement	48,000	10,000	58,000	57,800	200
Other employee benefits	150,000	23,200	173,200	173,162	38
Unused sick payment to terminated/retired staff	73,220		73,220	37,300	35,920
Total Unallocated Benefits - Employee Benefits	7,495,720	(209,101)	7,286,619	6,863,650	422,969
Total Personal - Employee Benefits	8,217,220	4,747,718	12,964,938	12,133,881	831,057
On-behalf TPAF Pension (non-budgeted)				3,667,567	(3,667,567)
On-behalf TPAF Medical contributions (non-budgeted)				1,663,602	(1,663,602)
On-behalf TPAF Pension LTDI (non-budgeted)				2,949	(2,949)
Reimbursed TPAF social security contributions (non-budgeted)				1,410,274	(1,410,274)
Total Undistributed Expenditures - TPAF				6,744,392	(6,744,392)
Total Undistributed Expenditures	26,461,797	(74,410)	26,387,387	30,781,400	(4,394,013)
Interest Earned On Maintenance Reserve					
Total General Current Expense	46,942,220	(88,471)	46,853,749	50,183,645	(3,329,896)

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

(CONTINUED TO NEXT PAGE)

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
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
EXPENDITURES:					
CAPITAL OUTLAY:					
Equipment:					
Grades 6-8	$ -	$ 16,504	$ 16,504	$ 16,501	$ 3
Grades 9-12	60,326	(1,298)	59,028	58,109	919
Pre-School Handicapped Part-Time		3,600	3,600	3,521	79
Pre-School Handicapped Full-Time		3,550	3,550	3,501	49
School-sponsored co-curricular	5,700		5,700	5,700	
School-sponsored athletic	27,232	7,240	34,472	27,232	7,240
Undist. expend. - related and extra		3,350	3,350	3,231	119
Undist. expend. - child study team		2,200	2,200		2,200
Undist. expend. - admin info tech	7,200		7,200	6,871	329
Undist. expend. - Custodial Services	30,958	20,500	51,458	34,102	17,356
Undist. expend. - student trans. - non-instructional equip.		32,825	32,825	32,816	9
Total Equipment	131,416	88,471	219,887	191,584	28,303
Facilities acquisition and construction services:					
Assessment for Debt Service on SDA Funding	534		534	534	
Total Facilities acquisition and construction services	534		534	534	
Assets acquired under capital leases (non-budgeted):					
Equipment					
Transportation vehicles				443,007	(443,007)
Total Capital Outlay	131,950	88,471	220,421	635,125	(414,704)
Transfer of Funds to Charter Schools	11,534		11,534		11,534
Total Expenditures	47,085,704		47,085,704	50,818,770	(3,733,066)
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(2,968,386)		(2,968,386)	934,087	3,902,473
Other Financing Sources (Uses):					
Proceeds of Capital Lease				443,007	443,007
Total Other Financing Sources				443,007	443,007
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(2,968,386)		(2,968,386)	1,377,094	4,345,480
Fund Balance, July 1	9,950,439		9,950,439	9,950,439	
Fund Balance, June 30	$ 6,982,053	$ -	$ 6,982,053	$ 11,327,533	$ 4,345,480

Recapitulation of fund balance:	
Restricted Fund Balance:	
Reserved Excess Surplus - Designated for Subsequent Years Expenditures	$ 3,069,743
Reserve for Excess Surplus	2,610,794
Maintenance Reserve	1,969,158
Capital Reserve	2,427,536
Committed Fund Balance:	
Year-end Encumbrances	158,642
Unassigned Fund Balance	1,091,660
	11,327,533
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	(868,117)
Fund balance per Governmental Funds (GAAP)	$ 10,459,416

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2019

	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
REVENUES:					
Local sources	$ 20,000	$ 389,549	$ 409,549	$ 89,412	$ (320,137)
State sources	195,850	50,643	246,493	195,537	(50,956)
Federal sources	827,362	124,208	951,570	829,005	(122,565)
Total revenues	1,043,212	564,400	1,607,612	1,113,954	(493,658)
EXPENDITURES:					
Instruction:					
Salaries of teachers	276,362	(44,003)	232,359	147,492	84,867
Purchased professional - tech. services	2,500	-	2,500	651	1,849
General supplies	11,050	26,919	37,969	26,054	11,915
Tuition	440,000	138,391	578,391	578,391	-
Textbooks	16,400	207	16,607	16,433	174
Miscellaneous	20,000	5,549	25,549	22,040	3,509
Total instruction	766,312	127,063	893,375	791,061	102,314
Support services:					
Salaries - Support Staff		6,994	6,994	1,994	5,000
Transportation		34	34	34	-
Personal services - employee benefits		23,069	23,069	16,577	6,492
Purchased professional and technical services	140,000	(35,391)	104,609	92,476	12,133
Cleaning repairs and maintenance		24,500	24,500	23,849	651
Other purchased services	114,400	43,331	157,731	113,088	44,643
Supplies and materials	22,500	(200)	22,300	11,503	10,797
Total support services	276,900	62,337	339,237	259,521	79,716
Facilities acquisition and construction services:					
Construction services		345,000	345,000	38,349	306,651
Supplies and materials		10,000	10,000	5,829	4,171
Instructional equipment		20,000	20,000	19,194	806
Total facilities acq. and const. services		375,000	375,000	63,372	311,628
Total expenditures	1,043,212	564,400	1,607,612	1,113,954	493,658
Total outflows	1,043,212	564,400	1,607,612	1,113,954	493,658
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	$ -	$ -	$ -	$ -	$ -

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	$ 51,752,857	$ 1,113,954
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	844,369	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(868,117)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 51,729,109	$ 1,113,954
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	$ 50,818,770	$ 1,113,954
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	$ 50,818,770	$ 1,113,954

Required Supplementary Information - Part III

Schedules Related to Accounting and Reporting

For Pensions and

Other Post Employment Benefits

CINNAMINSON 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)	0.0780290550%	0.0808424543%	0.0771108750%	0.0714173882%	0.0711656070%	0.0681418604%
District's proportionate share of the net pension liability (asset)	$ 15,363,532	$ 18,818,831	$ 22,828,029	$ 16,031,773	$ 13,324,148	$ 13,023,263
District's covered-employee payroll	$ 5,763,725	$ 5,537,321	$ 5,335,617	$ 4,942,772	$ 5,027,300	$ 4,850,733
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	266.56%	339.85%	427.84%	324.35%	265.04%	268.48%
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.

CINNAMINSON 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	$ 761,563	$ 776,137	$ 748,919	$ 685,042	$ 613,998	$ 586,679
Contributions in relation to the contractually required contributions	(761,563)	(776,137)	(748,919)	(685,042)	(613,998)	(586,679)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 5,763,725	$ 5,537,321	$ 5,335,617	$ 4,942,772	$ 5,027,300	$ 4,850,733
Contributions as a percentage of covered-employee payroll	13.21%	14.02%	14.04%	13.86%	12.21%	12.09%

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

CINNAMINSON 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)	0.1771711895%	0.1711102056%	0.1724765937%	0.1692070049%	0.1639022100%	0.1679719794%
District's proportionate share of the net pension liability (asset)	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the net pension liability (asset) associated with the District	112,712,505	115,368,671	135,681,070	106,946,053	87,600,397	84,891,717
Total	$ 112,712,505	$ 115,368,671	$ 135,681,070	$ 106,946,053	$ 87,600,397	$ 84,891,717
District's covered-employee payroll	$ 19,884,152	$ 19,615,077	$ 18,951,375	$ 18,058,763	$ 17,435,627	$ 16,823,260
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.

CINNAMINSON 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	0.19%	0.18%
District's proportionate share of the net OPEB liability	$ -	$ -
State's proportionate share of the net OPEB liability associated with the District	86,515,675	98,568,495
Total proportionate share of the net OPEB liability (asset) associated with the District	$ 86,515,675	$ 98,568,495
Plan fiduciary net position as a percentage of the total OPEB Liability		0.00%

	June 30, 2019	June 30, 2018
Total OPEB Liability		
Service Cost	$ 3,840,813	$ 4,624,765
Interest	3,626,626	3,124,251
Difference between expected and actual experience	(7,358,709)	
Changes of assumptions	(9,928,107)	(13,071,381)
Member Contributions	79,955	84,068
Benefit payments	(2,313,398)	(2,283,056)
Net Change in total OPEB Liability	(12,052,820)	(7,521,353)
Total OPEB Liability - beginning	98,568,495	106,089,848
Total OPEB Liability - ending	$ 86,515,675	$ 98,568,495
District's covered-employee payroll	$ 25,647,877	$ 25,152,398
Total OPEB Liability as a percentage of covered-employee payroll	337.32%	391.89%

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

Cinnaminson 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 30,2 014 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

CINNAMINSON 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)	Total
REVENUES:				
Local sources	$ 4,000	$ -	$ 85,412	$ 89,412
State sources	102,311	-	93,226	195,537
Federal sources	-	829,005	-	829,005
Total Revenues	106,311	829,005	178,638	1,113,954
EXPENDITURES:				
Instruction:				
Salaries of teachers	3,000	144,492	-	147,492
Professional education services	-	-	-	-
Purchased professional and technical services	651	-	-	651
Other purchased services	-	-	-	-
General supplies	966	13,911	11,177	26,054
Tuition	-	578,391	-	578,391
Textbooks	-	-	16,433	16,433
Miscellaneous	-	-	22,040	22,040
Total instruction	4,617	736,794	49,650	791,061
Support services:				
Salaries - Other Support Staff	-	1,994	-	1,994
Transportation	34			34
Personal services-employee benefits	-	16,577	-	16,577
Purchased professional and technical services	-	62,212	30,264	92,476
Cleaning, repairs and maintenance			23,849	23,849
Other purchased services	101,660	11,428	-	113,088
Supplies and materials	-	-	11,503	11,503
Total support services	101,694	92,211	65,616	259,521
Facilities acquisition and const. serv.:				
Construction services			38,349	38,349
Instructional equipment			19,194	19,194
Supplies and materials			5,829	5,829
Total facilities acquisition and const. serv.:			63,372	63,372
Total Expenditures	106,311	829,005	178,638	1,113,954
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	$ -	$ -	$ -	$ -

E-1B

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

	Chapter 192 - Auxillary Services			Chapter 193 - Handicapped Services				
	Comp. Education	ESL	Nonpublic Home Instruction	Exam & Classification	Corrective Speech	Suppl. Instruction	Play Unified Grant	Carried Forward (Exh. E-1A)
REVENUES:								
Local sources							$ 4,000	$ 4,000
State sources	54,482	259	651	22,216	15,981	8,722		102,311
Federal sources								
Total Revenues	54,482	259	651	22,216	15,981	8,722	4,000	106,311
EXPENDITURES:								
Instruction:								
Salaries of teachers							3,000	3,000
Professional education services								
Purchased professional and technical services			651					651
Other purchased services								-
General supplies							966	966
Tuition								
Textbooks								
Miscelllaneous								
Total instruction			651				3,966	4,617
Support services:								
Salaries - Other Support Staff								
Transportation							34	34
Personal services-employee benefits								
Purchased professional and technical services								-
Other purchased services	54,482	259		22,216	15,981	8,722		101,660
Supplies and materials								
Total support services	54,482	259	-	22,216	15,981	8,722	34	101,694
Facilities acquisition and const. serv.:								
Construction services								
Instructional equipment								
Non-instructional equipment								
Total facilities acquisition and const. serv.:								
Total Expenditures	54,482	259	651	22,216	15,981	8,722	4,000	106,311
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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

	Every Student Succeeds Act (ESSA)				IDEA - Part B		
	Title I	Title II - Part A	Title III	Title IV	Basic	Preschool	Carried Forward
	Current Yr.	Current Yr.	Current Yr.	Current Yr.	Current Yr.	Current Yr.	(Exh. E-1A)
REVENUES:							
Local sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State sources							-
Federal sources	115,496	48,881	2,147	4,375	629,431	28,675	829,005
Total Revenues	115,496	48,881	2,147	4,375	629,431	28,675	829,005
EXPENDITURES:							
Instruction:							
Salaries of teachers	96,355	23,000		2,000		23,137	144,492
Professional education services							
Purchased professional and technical services							
Other purchased services							-
General supplies	11,590	722		603		996	13,911
Tuition					578,391		578,391
Textbooks							
Miscellaneous							-
Total instruction	107,945	23,722	-	2,603	578,391	24,133	736,794
Support services:							
Salaries - Other Support Staff			1,994				1,994
Personal services-employee benefits	7,371	7,130	153	153		1,770	16,577
Purchased professional and technical services		8,400			51,040	2,772	62,212
Other purchased services	180	9,629		1,619			11,428
Supplies and materials							-
Total support services	7,551	25,159	2,147	1,772	51,040	4,542	92,211
Facilities acquisition and const. serv.:							
Construction services							
Instructional equipment							
Non-instructional equipment							
Total facilities acquisition and const. serv.:							
Total Expenditures	115,496	48,881	2,147	4,375	629,431	28,675	829,005
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -

E-1D

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

	Nonpublic Nursing	Nonpublic Textbook	Nonpublic Technology	Nonpublic Security	Burl. Co. Security Grant	Cinnaminson Ed. Foundation Grant	HS Home and School	Carried Forward (Exh. E-1A)
REVENUES:								
Local sources	$ -	$ -	$ -	$ -	$ 63,372	$ 19,500	$ 2,540	$ 85,412
State sources	30,264	16,433	11,177	35,352				93,226
Federal sources								-
Total Revenues	30,264	16,433	11,177	35,352	63,372	19,500	2,540	178,638
EXPENDITURES:								
Instruction:								
Salaries of teachers								
Professional education services								-
Purchased professional and technical services								
Other purchased services								-
General supplies			11,177					11,177
Tuition								
Textbooks		16,433						16,433
Miscellaneous						19,500	2,540	22,040
Total instruction		16,433	11,177		-	19,500	2,540	49,650
Support services:								
Salaries - other support staff								
Personal services-employee benefits								
Purchased professional and technical services	30,264							30,264
Cleaning, repairs and maintenance				23,849				23,849
Other purchased services (400-500)								
Supplies and materials				11,503				11,503
Total support services	30,264			35,352				65,616
Facilities acquisition and const. serv.:								
Construction services					38,349			38,349
Instructional equipment					19,194			19,194
Supplies and Materials					5,829			5,829
Total facilities acquisition and const. serv.:			-		63,372			63,372
Total Expenditures	30,264	16,433	11,177	35,352	63,372	19,500	2,540	178,638
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Capital Projects Fund
Detail Statements

CINNAMINSON 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:	
Proceeds of Serial Bonds	$ -
Interest earned on investments	718
Total revenues and other financing sources	718
Expenditures and Other Financing (Uses):	
Purchased professional services	$ -
Construction services	7,606
Equipment	26,033
Other Objects	10,505
Transfer to Debt Service Fund	718
Total expenditures and other financing (uses)	44,862
Excess (deficiency) or revenues over (under) expenditures	(44,144)
Fund Balance - July 1, 2018	100,868
Fund Balance - June 30, 2019	$ 56,724

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

	Prior Periods	Current Year	Total	Revised Authorized Costs
Revenues and Other Financing Sources:				
Bond proceeds	$ 40,048,000	$ -	$ 40,048,000	$ 40,048,000
Total revenues	40,048,000		40,048,000	40,048,000
Expenditures and Other Financing Uses:				
Purchased professional services	$ 4,146,813	$ -	$ 4,146,813	$ 4,146,813
Construction services	34,757,779	7,606	34,765,385	34,765,385
Equipment	675,868	26,033	701,901	701,901
Other Objects	366,672	10,505	377,177	377,177
Total expenditures	39,947,132	44,144	39,991,276	39,991,276
Excess (deficiency) or revenues over (under) expenditures	$ 100,868	$ (44,144)	$ 56,724	$ 56,724

Additional project information:

Bond Authorization Date	09/30/14
Bonds Authorized	$ 40,048,000
Bonds Issued	$ 40,048,000
Original Authorized Cost	$ 40,048,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 40,048,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	10.00%
Original target completion date	12/31/16
Revised target completion date	12/31/16

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

Issue/Project Title	Appropriations	Expenditures to Date: Prior Years	Expenditures to Date: Current Year	Transfers	Balance
Construction and Various Improvements to the District's Facilities	$ 40,048,000	$ 39,947,132	$ 44,144	$ -	$ 56,724
	$ 40,048,000	$ 39,947,132	$ 44,144	$ -	$ 56,724

Proprietary Funds
Detail Statements

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

	Food Service Fund	School Age Child Care Program	School Store	Total
ASSETS:				
Current assets:				
Cash and cash equivalents	$ 278,496	$ 676,789	$ 12,604	$ 967,889
Accounts receivable:				
State	421			421
Federal	9,990			9,990
Milk	133			133
Other	732	1,735		2,467
Inventories	10,391		2,537	12,928
Total current assets	300,163	678,524	15,141	993,828
Fixed assets:				
Equipment	515,898	29,123		545,021
Less Accumulated depreciation	(407,251)	(19,880)		(427,131)
Total fixed assets	108,647	9,243		117,890
Total assets	$ 408,810	$ 687,767	$ 15,141	$ 1,111,718
LIABILITIES				
Current liabilities:				
Accounts payable	$ 32,922	$ 353	$ -	$ 33,275
Interfund payable	52,532			52,532
Unearned revenue	13,315	39,105		52,420
Total current liabilities	98,769	39,458	-	138,227
NET POSITION				
Net investment in capital assets	108,647	9,243		117,890
Unrestricted	201,394	639,066	15,141	855,601
Total net position	$ 310,041	$ 648,309	$ 15,141	$ 973,491

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
for the Fiscal Year ended June 30, 2019

	Food Service Fund	School Age Child Care Program	School Store	Total
OPERATING REVENUES:				
Local sources:				
Daily sales-reimbursable programs:				
School lunch program	$ 301,422	$ -	$ -	$ 301,422
Total-daily sales-reimbursable programs	301,422			301,422
Daily sales non-reimbursable programs:				
Adult and a la carte meals	189,570			189,570
Special functions	44,443			44,443
Sales			34,075	34,075
Program fees		422,544		422,544
Miscellaneous	17			17
Total operating revenue	535,452	422,544	34,075	992,071
OPERATING EXPENSES:				
Salaries	310,039	231,923		541,962
Employee benefits	54,306	49,187		103,493
Supplies and materials	31,137	3,563		34,700
Depreciation	8,470	1,678		10,148
Management fee	47,700			47,700
Direct expenses	10,722	541		11,263
Cost of sales - reimbursable programs	154,683			154,683
Cost of sales - non-reimbursable programs	121,453	6,083	34,508	162,044
Building usage		25,000		25,000
Other	18,024	15,261		33,285
Total operating expenses	756,534	333,236	34,508	1,124,278
Operating income (loss)	(221,082)	89,308	(433)	(132,207)
Non-operating revenues:				
State sources:				
State school lunch program	7,240			7,240
Federal sources:				
National school lunch program	174,175			174,175
Special milk program	1,970			1,970
U.S.D.A. commodities	61,764			61,764
Contributed Capital	23,923			23,923
Interest revenue	1,711	4,414	100	6,225
Total non-operating revenues	270,783	4,414	100	275,297
Change in net position	49,701	93,722	(333)	143,090
Net position - July 1	260,340	554,587	15,474	830,401
Net position - June 30	$ 310,041	$ 648,309	$ 15,141	$ 973,491

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

	Food Service Fund	School Age Child Care Program	School Store	Total
Cash flows from operating activities:				
Cash receipts from customers	$ 543,565	$ 419,839	$ 34,075	$ 997,479
Cash payments to employees for services	(291,052)	(281,110)		(572,162)
Cash payments to suppliers for goods and services	(328,840)	(50,095)	(32,538)	(411,473)
Net cash used by operating activities	(76,327)	88,634	1,537	13,844
Cash flows from noncapital financing activities:				
Cash received from state and federal reimbursements	178,846			178,846
Net cash provided by noncapital financing activities	178,846	-	-	178,846
Cash flows from capital financing activities:				
Purchases of fixed assets	(26,417)			(26,417)
Net cash used by capital financing activities	(26,417)	-		(26,417)
Cash flows from investing activities:				
Interest on investments	1,711	4,414	100	6,225
Net cash provided by investing activities	1,711	4,414	100	6,225
Net increase (decrease) in cash and cash equivalents	77,813	93,048	1,637	172,498
Cash and cash equivalents, July 1	200,683	583,741	10,967	795,391
Cash and cash equivalents, June 30	$ 278,496	$ 676,789	$ 12,604	$ 967,889
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (221,082)	$ 89,308	$ (433)	$ (132,207)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:				
Depreciation	8,470	1,678		10,148
Federal commodities	61,764			61,764
Change in assets and liabilities:				
(Increase)/decrease in accounts receivable	5,062	(1,735)		3,327
(Increase)/decrease in inventory	2,113		1,970	4,083
Increase/(decrease) in accounts payable	11,763	353		12,116
Increase/(decrease) in interfunds payable	52,532			52,532
Increase/(decrease) in unearned revenue	3,051	(970)		2,081
Net cash used by operating activities	$ (76,327)	$ 88,634	$ 1,537	$ 13,844

Fiduciary Funds
Detail Statements

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

	Agency Funds		Private Purpose Trust Funds	Trust Funds		
	Student Activity	Payroll	Scholarship Fund	Flexible Benefits Program	Unemployment Compensation Insurance Trust	Total
ASSETS						
Cash and cash equivalents	$ 369,835	$ 1,562,036	$ 53,954	$ 14,353	$ 430,823	$ 2,431,001
Total assets	$ 369,835	$ 1,562,036	$ 53,954	$ 14,353	$ 430,823	$ 2,431,001
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ 904	$ 904
Payroll deductions and withholdings		413,207				413,207
Due to Cinnaminson Education Assoc.		3,952				3,952
Due to employees		1,119,989				1,119,989
Interfund payable		24,888		12,606		37,494
Due to student groups	369,835					369,835
Total liabilities	369,835	1,562,036		12,606	904	1,945,381
NET POSITION						
Reserved for private purpose trusts			53,954			53,954
Reserved for unemployment claims					429,919	429,919
Reserved for flexible benefits				1,747		1,747
Total net position	$ -	$ -	$ 53,954	$ 1,747	$ 429,919	$ 485,620

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Fiduciary Fund
Combining Statement of Changes in Fiduciary Net Position
for the Fiscal Year ended June 30, 2019

	Private Purpose Trust Fund	Trust Funds		
	Scholarship Fund	Flexible Benefits Program	Unemployment Compensation Insurance Trust Fund	Total
REVENUES:				
Local sources:				
Donations	$ 7,415	$ -	$ -	$ 7,415
Employee withholdings		78,736	47,826	126,562
Interest on Investments	430		3,009	3,439
Total Revenues	7,845	78,736	50,835	137,416
EXPENDITURES:				
Current Expense:				
Undistributed Expenditures:				
Unemployment claims			4,623	4,623
Flexible benefit payments		85,624		85,624
Scholarship payments	10,050			10,050
Total Expenditures	10,050	85,624	4,623	100,297
Excess (deficiency) of revenues over (under) expenditures)	(2,205)	(6,888)	46,212	37,119
Net Position July 1	56,159	8,635	383,707	448,501
Net Position June 30	$ 53,954	$ 1,747	$ 429,919	$ 485,620

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

	Balance July 1, 2018	Cash Receipts	Cash Disbursements	Accounts Payable June 30, 2019	Balance June 30, 2019
JUNIOR/SENIOR HIGH SCHOOLS:					
Cinnaminson:					
Activities	$ 306,969	$ 575,966	$ 588,085	$ -	$ 294,850
Athletic	64,789	60,156	49,960		74,985
Total	$ 371,758	$ 636,122	$ 638,045	$ -	$ 369,835

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
for the Fiscal Year ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
ASSETS:				
Cash and cash equivalents	$ 1,491,222	$ 21,479,089	$ 21,408,275	$ 1,562,036
Total assets	$ 1,491,222	$ 21,479,089	$ 21,408,275	$ 1,562,036
LIABILITIES:				
Payroll deductions and withholdings	$ 410,188	$ 20,130,414	$ 20,127,395	$ 413,207
Net payroll				
Due to employees	1,061,741	1,335,598	1,277,350	1,119,989
Due to Cinnaminson Education Assoc.	2,608	4,874	3,530	3,952
Interfund payable	16,685	8,203		24,888
Total liabilities	$ 1,491,222	$ 21,479,089	$ 21,408,275	$ 1,562,036

Long-Term Debt Schedules

CINNAMINSON 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 Date	Annual Maturities Amount	Rate of Interest	Balance July 1, 2018	Issued	Retired	Balance June 30, 2019
Refunding Bonds	02/04/14	$ 3,610,000	N/A	$ -	N/A	$ 690,000	$ -	$ 690,000	$ -
2014 School Bonds	12/18/14	40,048,000	8/1/19	1,550,000	3.000%	38,170,000		1,030,000	37,140,000
			8/1/20	1,615,000	3.000%				
			8/1/21	1,675,000	3.000%				
			8/1/22	1,725,000	3.000%				
			8/1/23	1,775,000	3.000%				
			8/1/24	1,800,000	3.000%				
			8/1/25	1,800,000	3.000%				
			8/1/26	1,800,000	3.000%				
			8/1/27	1,800,000	3.000%				
			8/1/28	1,800,000	3.000%				
			8/1/29	1,800,000	3.000%				
			8/1/30	1,800,000	3.000%				
			8/1/31	1,800,000	3.125%				
			8/1/32	1,800,000	3.250%				
			8/1/33	1,800,000	3.250%				
			8/1/34	1,800,000	3.250%				
			8/1/35	1,800,000	3.375%				
			8/1/36	1,800,000	3.500%				
			8/1/37	1,800,000	3.500%				
			8/1/38	1,800,000	3.500%				
			8/1/39	1,800,000	3.500%				
						$ 38,860,000	$ -	$ 1,720,000	$ 37,140,000

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Obligations Under Capital Leases
June 30, 2019

Series	Interest Rate Payable	Amount of Original Issue	Amount Outstanding July 1, 2018	Issued Current Year	Retired Current Year	Amount Outstanding June 30, 2019
Three Buses and Ine Four Wheel Drive Pickup	1.44%	$ 320,000	$ 65,218	$ -	$ 65,218	$ -
Four Buses	1.91%	350,000	140,562		69,594	70,968
Three Buses and One Van	1.78%	405,000	243,468		79,728	163,740
Five Buses and One Van	2.15%	441,000	341,468		82,663	258,805
Four Buses and One Pickup Truck	3.25%	443,007		443,007	97,000	346,007
			$ 790,716	$ 443,007	$ 394,203	$ 839,520

CINNAMINSON 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
REVENUES:					
Local sources:					
Local tax levy	$ 2,186,925	$ -	$ 2,186,925	$ 2,186,925	$ -
Miscellaneous					
Total revenues - local sources	2,186,925		2,186,925	2,186,925	
State sources:					
Debt service aid type II	727,671		727,671	727,671	
Total revenues - state sources	727,671		727,671	727,671	
Total Revenues	2,914,596		2,914,596	2,914,596	
EXPENDITURES:					
Regular debt service:					
Interest	1,202,000		1,202,000	1,201,950	50
Redemption of principal	1,720,000		1,720,000	1,720,000	
Total Expenditures	2,922,000		2,922,000	2,921,950	50
Excess (Deficiency) of revenues over (under) expenditures	(7,404)		(7,404)	(7,354)	50
Other Financing Sources (Uses):					
Transfer from Capital Projects Fund				718	718
Total Other Financing Sources (Uses)				718	718
Excess (Deficiency) of revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(7,404)		(7,404)	(6,636)	768
Fund Balances, July 1	8,896		8,896	8,896	
Fund Balances, June 30	$ 1,492	$ -	$ 1,492	$ 2,260	$ 768

Statistical Section

Cinnaminson Township School District **Exhibit J-1**
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
Net investment in capital assets	$ 3,963,662	$ 4,986,609	$ 5,745,469	$ 7,122,078	$ 7,963,105	$ (26,887,966)	$ (2,659,793)	$ 10,604,836	$ 11,258,794	$ 11,910,452
Restricted for:	-	-	-	-	-	-	-	-	-	-
Special Revenue										
Capital projects	315,135	510,142	581,025	743,241	855,544	37,155,985	2,371,104	1,717,648	1,766,166	2,484,260
Debt service	(115,838)	(112,672)								
Other purposes	1,639,161	3,007,035	4,449,208	5,075,534	4,695,490	5,263,199	6,267,406	6,585,998	7,254,744	7,810,597
Unrestricted	(827,109)	(998,228)	(1,132,236)	(1,419,159)	(1,385,252)	(14,988,324)	(15,164,205)	(17,442,026)	(18,566,456)	(19,116,208)
Total governmental activities net position	$ 4,975,011	$ 7,392,886	$ 9,643,466	$ 11,521,694	$ 12,128,887	$ 542,894	$ (9,185,488)	$ 1,466,456	$ 1,713,248	$ 3,089,101
Business-type activities:										
Net investment in capital assets	$ 73,275	$ 64,170	$ 55,285	$ 51,718	$ 59,817	$ 57,279	$ 51,539	$ 80,304	$ 77,698	$ 117,890
Unrestricted	100,276	101,296	234,570	238,233	315,412	421,250	556,532	691,497	752,703	855,601
Total business-type activities net position	$ 173,551	$ 165,466	$ 289,855	$ 289,951	$ 375,229	$ 478,529	$ 608,071	$ 771,801	$ 830,401	$ 973,491
District-wide:										
Net investment in capital assets	$ 4,036,937	$ 5,050,779	$ 5,800,754	$ 7,173,796	$ 8,022,922	$ (26,830,687)	$ (2,608,254)	$ 10,685,140	$ 11,336,492	$ 12,028,342
Restricted:										
Special Revenue										
Capital projects	315,135	510,142	581,025	743,241	855,544	37,155,985	2,371,104	1,717,648	1,766,166	2,484,260
Debt service	(115,838)	(112,672)	-	-	-	-	-	-	-	-
Other purposes	1,639,161	3,007,035	4,449,208	5,075,534	4,695,490	5,263,199	6,267,406	6,585,998	7,254,744	7,810,597
Unrestricted	(726,833)	(896,932)	(897,666)	(1,180,926)	(1,069,840)	(14,567,074)	(14,607,673)	(16,750,529)	(17,813,753)	(18,260,607)
Total district net position	$ 5,148,562	$ 7,558,352	$ 9,933,321	$ 11,811,645	$ 12,504,116	$ 1,021,423	$ (8,577,417)	$ 2,238,257	$ 2,543,649	$ 4,062,592

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

Exhibit J-2

	Fiscal Year Ending June 30, 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Governmental activities:										
Instruction:										
Regular	$ 11,656,571	$ 11,064,621	$ 11,210,740	$ 11,352,752	$ 12,159,632	$ 12,652,594	$ 12,346,152	$ 13,294,163	$ 14,317,085	$ 14,553,839
Special education	3,003,294	2,968,563	2,725,307	3,159,224	2,826,077	3,140,913	3,470,172	3,616,797	3,701,565	3,695,721
Other instruction	2,702,239	2,821,195	2,925,373	2,909,802	2,913,515	2,891,834	3,107,318	3,225,899	3,282,335	3,375,211
Support Services:										
Tuition	2,935,790	2,782,561	2,863,718	3,003,117	3,321,908	2,499,099	2,285,604	1,882,993	1,273,713	1,041,634
Student & instruction related services	4,750,880	4,376,300	4,365,579	4,400,336	5,086,763	5,197,664	5,225,208	5,277,983	5,297,730	5,534,420
School administrative services	1,500,461	1,431,621	1,410,755	1,428,134	1,460,267	1,496,302	1,552,664	1,618,073	1,874,905	1,929,144
General and business administrative services	1,565,765	1,489,836	1,501,991	1,533,957	1,659,560	1,673,010	1,596,552	1,739,843	1,712,920	1,785,680
Plant operations and maintenance	3,091,532	2,682,572	3,137,268	2,909,064	3,172,548	3,031,481	14,559,553	(8,108,950)	3,634,731	3,503,950
Pupil transportation	2,068,803	2,218,903	2,306,343	2,407,476	2,806,684	2,702,043	2,635,508	2,804,092	2,891,810	2,966,304
Unallocated employee benefits	8,328,843	8,466,699	9,094,095	9,967,476	9,747,330	10,226,329	11,528,287	14,671,819	30,617,636	26,839,396
Special schools	25,599	460				21	11,466			
Charter Schools		15,459	27,988	11,480	-	-		22,932	27,550	-
Interest on long-term debt	323,547	282,809	243,579	198,110	138,902	744,238	1,357,660	1,285,833	1,235,412	1,177,575
Unallocated depreciation	87,983	69,316	69,021	41,414	53,443	46,703	7,944	31,448	51,649	112,606
Total governmental activities expenses	42,041,307	40,670,915	41,881,757	43,322,342	45,346,629	46,302,231	59,684,088	41,362,925	69,919,041	66,515,480
Business-type activities:										
Food service	654,289	623,309	574,047	637,598	666,236	696,434	671,559	679,696	696,479	756,534
School age child care program	329,504	301,250	250,227	255,008	296,114	305,109	321,170	325,917	396,679	333,236
Employment orientation program/School store	48,895	22,723	23,835	20,433	24,141	30,938	28,962	48,425	41,284	34,508
Total business-type activities expense	1,032,688	947,282	848,109	913,039	986,491	1,032,481	1,021,691	1,054,038	1,134,442	1,124,278
Total district expenses	$ 43,073,995	$ 41,618,197	$ 42,729,866	$ 44,235,381	$ 46,333,120	$ 47,334,712	$ 60,705,779	$ 42,416,963	$ 71,053,483	$ 67,639,758
Program Revenues:										
Governmental activities:										
Operating grants and contributions	4,128,834	3,850,827	4,085,218	4,837,817	4,334,604	4,944,119	5,888,700	6,579,952	23,811,328	20,748,973
Total governmental activities program revenues	4,128,834	3,850,827	4,085,218	4,837,817	4,334,604	4,944,119	5,888,700	6,579,952	23,811,328	20,748,973
Business-type activities:										
Charges for services:										
Food service	495,958	479,568	486,018	453,695	456,210	483,538	492,150	524,062	530,831	535,452
School age child care program	333,518	305,613	306,881	326,318	372,734	406,655	417,758	408,140	387,039	422,544
School store	35,345	20,974	25,845	22,931	26,841	28,004	32,623	42,796	39,359	34,075
Operating grants and contributions	159,302	131,147	151,826	187,085	197,505	217,164	208,265	242,247	232,035	245,149
Capital grants and contributions										23,923
Total business type activities program revenues	1,024,123	937,302	970,570	990,029	1,053,290	1,135,361	1,150,796	1,217,245	1,189,264	1,261,143
Total district program revenues	$ 5,152,957	$ 4,788,129	$ 5,055,788	$ 5,827,846	$ 5,387,894	$ 6,079,480	$ 7,039,496	$ 7,797,197	$ 25,000,592	$ 22,010,116
Net (Expense)/Revenue:										
Governmental activities	$ (37,912,473)	$ (36,820,088)	$ (37,796,539)	$ (38,484,525)	$ (41,012,025)	$ (41,358,112)	$ (53,795,388)	$ (34,782,973)	$ (46,107,713)	$ (45,766,507)
Business-type activities	(8,565)	(9,980)	122,461	76,990	66,799	102,880	129,105	163,207	54,822	136,865
Total district-wide net expense	$ (37,921,038)	$ (36,830,068)	$ (37,674,078)	$ (38,407,535)	$ (40,945,226)	$ (41,255,232)	$ (53,666,283)	$ (34,619,766)	$ (46,052,891)	$ (45,629,642)

(Continued)

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	$ 26,735,855	$ 28,233,854	$ 28,462,848	$ 28,836,344	$ 29,413,071	$ 30,251,332	$ 31,187,085	$ 32,036,557	$ 32,792,708	$ 33,448,562
Taxes levied for debt service	1,311,807	1,345,156	1,292,152	1,269,753	1,079,150	964,150	1,544,360	2,204,948	2,196,486	2,186,925
Unrestricted grants and contributions	9,042,887	8,788,322	9,252,210	9,315,425	9,563,014	9,421,278	9,438,297	9,479,077	9,534,038	9,769,198
State aid restricted for capital projects	-	-	-	-	-	-				-
Tuition revenue	115,415	92,044	94,682	105,182	176,702	166,274	369,140	173,954	199,304	198,866
Transportation revenue	561,603	563,503	744,284	772,982	1,185,061	1,263,898	1,182,154	1,319,598	1,291,055	1,262,527
Miscellaneous revenue	236,984	215,074	200,943	152,168	202,220	215,015	345,970	220,783	340,914	276,282
Transfers	-	-	-	-	-	-	-			
Total governmental activities	38,004,551	39,237,953	40,047,119	40,451,854	41,619,218	42,281,947	44,067,006	45,434,917	46,354,505	47,142,360
Business-type activities:										
Miscellaneous income	1,824	1,895	1,928	544	275	420	437	523	3,778	6,225
Contributed capital	-	-	-	-	18,204	-	-			
Retirement of Fixed Assets	-	-	-	-	-	-	-			
Transfers	-	-	-	-	-	-	-			
Total business-type activities	1,824	1,895	1,928	544	18,479	420	437	523	3,778	6,225
Total district-wide	$ 38,006,375	$ 39,239,848	$ 40,049,047	$ 40,452,398	$ 41,637,697	$ 42,282,367	$ 44,067,443	$ 45,435,440	$ 46,358,283	$ 47,148,585
Change in Net Position:										
Governmental activities	$ 92,078	$ 2,417,865	$ 2,250,580	$ 1,967,329	$ 607,193	$ 923,835	$ (9,728,382)	$ 10,651,944	$ 246,792	$ 1,375,853
Business-type activities	(6,741)	(8,085)	124,389	77,534	85,278	103,300	129,542	163,730	58,600	143,090
Total district-wide	$ 85,337	$ 2,409,780	$ 2,374,969	$ 2,044,863	$ 692,471	$ 1,027,135	$ (9,598,840)	$ 10,815,674	$ 305,392	$ 1,518,943

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

Exhibit J-3

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund:										
Reserved for:										
Encumbrances	$ 61,796	$ 279,781	$ 18,135	$ 76,090	$ 76,357	$ 84,291	$ 91,342	$ 115,516	$ 127,893	$ 158,642
Capital reserve	315,135	510,142	581,025	743,241	855,544	1,233,534	1,244,332	1,420,024	1,665,298	2,427,536
Maintenance reserve	100,000	250,000	501,569	603,390	818,557	1,122,255	1,362,256	1,537,231	1,657,519	1,969,158
Emergency reserve	300,000	194,922	194,922	194,922	194,922	194,922				
Other purposes						7,493				
Excess surplus	109,575	1,282,332	2,248,582	1,952,549	1,467,318	1,992,060	2,704,700	2,122,726	3,069,743	2,610,794
Excess surplus - designated for subsequent year's expenditures	794,709	109,575	1,282,332	2,248,582	1,952,549	1,467,318	1,992,060	2,704,700	2,122,726	3,069,743
Unreserved										
Undesignated	273,081	196,346	203,668	-	201,633	(12,950)	3,481	168,606	194,924	223,543
Designated for subsequent year's expenditures	455,409	890,425	113,291	74,241	182,574	331,635	103,982	85,367	267,967	-
Total general fund	$ 2,409,705	$ 3,713,523	$ 5,143,524	$ 5,893,015	$ 5,749,454	$ 6,420,558	$ 7,502,153	$ 8,154,170	$ 9,106,070	$ 10,459,416
All Other Governmental Funds										
Reserved:										
Encumbrances						$ 34,671,640	$ 739,450	$ 150,925	$ 18,412	$ 18,733
Unreserved, reported in:										
Special revenue fund										
Capital projects fund	$ -	$ -	$ -	$ -	$ -	1,250,811	387,332	146,699	82,456	37,991
Debt service fund	20,179	5,879		1	3,213	63,225	13,066	20,458	8,896	2,260
Total all other governmental funds	$ 20,179	$ 5,879	$ -	$ 1	$ 3,213	$ 35,985,676	$ 1,139,848	$ 318,082	$ 109,764	$ 58,984

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

Exhibit J-4

	Fiscal Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Tax levy	$ 28,047,662	$ 29,579,010	$ 29,755,000	$ 30,106,097	$ 30,492,221	$ 31,215,482	$ 32,731,445	$ 34,241,505	$ 34,989,194	$ 35,635,487
Tuition charges	115,415	92,044	94,682	105,182	176,702	166,274	369,140	173,954	199,304	198,866
Transportation charges	561,603	563,503	744,284	772,982	1,185,061	1,263,898	1,182,154	1,319,598	1,291,055	1,262,527
Interest earnings	56,842	58,601	60,976	23,729	7,777	995	1,073	1,719	13,928	23,876
Miscellaneous	211,923	187,839	165,041	170,972	212,199	244,935	364,184	248,806	351,511	252,406
Local sources										89,412
State sources	10,685,343	11,515,277	12,414,759	13,343,349	13,126,777	13,525,312	14,462,636	15,252,496	16,210,354	17,410,501
Federal sources	2,454,597	1,092,516	897,595	767,360	753,085	809,170	845,074	776,791	911,813	885,301
Total revenue	42,133,385	43,088,790	44,132,337	45,289,671	45,953,822	47,226,066	49,955,706	52,014,869	53,967,159	55,758,376
Expenditures										
Instruction										
Regular Instruction	11,116,491	10,310,362	10,497,646	10,951,301	11,422,501	11,876,872	11,770,893	12,297,518	12,905,673	13,122,374
Special education instruction	3,010,571	2,968,563	2,725,307	3,159,224	2,826,077	3,140,913	3,470,172	3,616,797	3,701,565	3,695,721
Other instruction	2,702,239	2,821,195	2,925,373	2,909,802	2,913,515	2,891,834	3,107,318	3,225,899	3,282,335	3,375,211
Support Services:										
Tuition	2,935,790	2,782,561	2,863,718	3,003,117	3,321,908	2,499,099	2,285,604	1,882,993	1,273,713	1,041,634
Student & instruction related services	4,743,603	4,376,300	4,365,579	4,400,336	5,086,763	5,197,664	5,225,208	5,277,983	5,297,730	5,534,420
School administrative services	1,500,461	1,431,621	1,410,755	1,428,134	1,460,267	1,496,302	1,552,664	1,618,073	1,874,905	1,929,144
General and business admin.services	1,565,765	1,489,836	1,501,991	1,533,957	1,659,560	1,673,010	1,596,552	1,739,843	1,712,920	1,785,680
Plant operations and maintenance	3,093,434	3,009,577	3,078,190	2,986,630	3,198,265	3,467,819	3,397,695	3,570,625	3,656,648	3,755,815
Pupil transportation	1,916,397	2,081,134	2,169,457	2,283,233	2,676,356	2,561,933	2,488,529	2,586,600	2,613,720	2,700,321
Employee benefits	8,328,843	8,466,699	9,094,095	9,967,476	9,747,330	10,111,786	11,090,735	12,190,146	13,360,808	14,293,906
Special Schools	25,599	460								
Charter school		15,459	27,988	11,480		21	11,466	22,932	27,550	-
Capital outlay	557,934	412,510	847,841	217,800	796,491	4,721,251	36,250,855	1,215,954	1,015,535	742,641
Debt service:										
Principal	1,500,000	1,500,000	1,465,000	1,470,000	1,260,000	1,200,000	735,000	1,633,000	1,685,000	1,720,000
Interest and other charges	332,536	300,275	260,275	217,689	231,255	101,995	1,492,258	1,306,245	1,256,475	1,201,950
Total expenditures	43,329,663	41,966,552	43,233,215	44,540,179	46,600,288	50,940,499	84,474,949	52,184,608	53,664,577	54,898,817

Continued

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

Exhibit J-4

Excess (Deficiency) of revenues over (under) expenditures	$ (1,196,278)	$ 1,122,238	$ 899,122	$ 749,492	$ (646,466)	$ (3,714,433)	$ (34,519,243)	$ (169,739)	$ 302,582	$ 859,559
Other Financing sources (uses)										
Proceeds from borrowing	-	-	-	-	3,805,818	40,368,000			441,000	443,007
Payment to refunding bond escrow	-	-	-	-	(3,745,701)	-				
Contracts payable cancelled	-	-	-	-	-	-				
Capital leases	255,000	167,280	525,000	-	446,000	-	755,000			
Transfers in						65,219	87,812	9,862	967	718
Transfers out						(65,219)	(87,812)	(9,862)	(967)	(718)
Total other financing sources (uses)	255,000	167,280	525,000	-	506,117	40,368,000	755,000	-	441,000	443,007
Net change in fund balances	$ (941,278)	$ 1,289,518	$ 1,424,122	$ 749,492	$ (140,349)	$ 36,653,567	$ (33,764,243)	$ (169,739)	$ 743,582	$ 1,302,566
Debt service as a percentage of noncapital expenditures	4.28%	4.33%	4.07%	3.81%	3.26%	2.82%	4.62%	5.77%	5.59%	5.40%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

Exhibit J-5

Fiscal Year Ending June 30,	Interest on Investments	Program Fees	Tuition	Transportation	Prior Year Refunds	Other Refunds	Rentals	Technology Services	Miscellaneous	Total
2010	$ 56,528	$ 48,280	$ 115,415	$ 561,603	$ 57,325	$ 24,980	$ 19,000	$ 18,626	$ 11,931	$ 913,688
2011	58,601	19,870	92,044	563,503	28,983	61,193	19,600	17,528	9,299	870,621
2012	60,976	25,670	94,682	744,284	30,394	24,452	19,800	25,393	13,927	1,039,578
2013	23,729	28,140	105,182	772,982	25,346	31,021	18,000	14,401	11,020	1,029,821
2014	7,777	33,994	176,702	1,185,061	75,086	32,883	18,150	16,803	17,527	1,563,983
2015	6,098	44,440	166,274	1,263,898	22,240	18,284	25,000	22,464	15,486	1,584,184
2016	6,331	49,080	369,140	1,182,154	83,668	13,984	25,000	32,928	46,094	1,808,379
2017	7,193	46,995	173,954	1,319,598	45,595	67,879	25,000	6,000	10,540	1,702,754
2018	55,966	48,586	199,304	1,291,055	151,158	35,763	25,000	6,000	17,474	1,830,306
2019	37,830	51,075	198,866	1,262,527	81,718	53,131	25,400	6,000	20,410	1,736,957
	$ 321,029	$ 396,130	$ 1,691,563	$ 10,146,665	$ 601,513	$ 363,570	$ 219,950	$ 166,143	$ 173,708	$ 14,080,271

Source: District records

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

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2010	$ 26,962,500	$1,620,131,100	$ 1,740,700	$ 99,400	$ 199,498,700	$ 128,545,000	$ 167,600	$1,977,145,000	$ 4,411,918	$1,981,556,918	$ 138,962,200	1.493	$ 2,025,084,518
2011	27,842,700	1,620,167,000	1,228,300	99,400	193,249,100	118,277,300	167,600	1,961,031,400	3,977,202	1,965,008,602	143,657,300	1.514	1,965,008,602
2012	26,201,200	1,615,500,000	1,082,800	99,400	188,598,200	117,756,700	4,478,600	1,953,716,900	3,898,491	1,957,615,391	144,779,100	1.538	1,912,252,925
2013	25,135,700	1,595,334,100	1,082,800	99,400	183,786,300	113,721,800	12,501,600	1,931,661,700	3,297,345	1,934,959,045	149,158,900	1.576	1,748,080,645
2014 r	14,956,000	1,322,157,500	999,500	107,600	146,036,500	87,468,100	16,876,800	1,588,602,000	2,765,241	1,591,367,241	144,628,700	1.961	1,736,176,256
2015	16,383,100	1,324,813,300	721,900	103,000	145,010,300	86,052,500	19,289,500	1,592,373,600	2,593,872	1,594,967,472	143,746,800	2.052	1,753,305,792
2016	14,131,900	1,338,267,300	721,900	103,000	144,414,500	86,175,800	19,289,500	1,603,103,900	2,447,128	1,605,551,028	143,746,800	2.133	1,801,221,799
2017	14,473,600	1,339,755,800	721,900	103,000	140,694,800	86,175,800	19,289,500	1,601,214,400	2,466,783	1,603,681,183	146,214,000	2.182	1,807,811,735
2018	17,540,700	1,341,522,400	721,900	103,000	138,622,800	84,009,000	19,289,500	1,601,809,300	2,498,392	1,604,307,692	145,657,100	2.221	1,799,874,629
2019	17,060,000	1,339,373,400	721,900	97,900	141,692,300	80,413,100	24,697,800	1,604,056,400	90	1,604,056,490	145,657,100	2.247	1,774,848,888

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.

r - Reassessment occurs when ordered by the County Board of Taxation.

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

b Tax rates are per $100.

c Information not available.

Cinnaminson 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,		Cinnaminson School District Direct Rate: Basic Rate	General Obligation Debt Service	Total Direct	Overlapping Rates: Township of Cinnaminson	Municipal Open Space	Fire District	Burlington County	Total Direct and Overlapping Tax Rate
2010		$ 1.425	$ 0.068	$ 1.493	$ 0.397	$ 0.017	$ 0.139	$ 0.388	$ 2.434
2011		1.448	0.066	1.514	0.411	0.017	0.140	0.369	2.451
2012		1.473	0.065	1.538	0.429	0.017	0.141	0.369	2.494
2013		1.520	0.056	1.576	0.460	0.017	0.142	0.338	2.533
2014	c	1.900	0.061	1.961	0.585	0.016	0.172	0.413	3.147
2015		1.956	0.096	2.052	0.607	0.017	0.175	0.454	3.305
2016		1.996	0.137	2.133	0.627	0.017	0.181	0.455	3.413
2017		2.045	0.137	2.182	0.616	0.017	0.188	0.458	3.461
2018		2.085	0.136	2.221	0.616	0.017	0.194	0.449	3.497
2019		2.111	0.136	2.247	0.616	0.017	0.201	0.441	3.522

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.

c Reassessment.

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

Exhibit J-8

	2019			2010	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
National Keystone Property	$ 26,190,800	1.63%	Whitesell Enterprises	$ 38,846,000	1.96%
Camelot at Cinnaminson Harbour, LLC	19,157,900	1.19%	National Keystone Property	26,851,400	1.36%
CHS Siena	9,793,500	0.61%	Progida, LLC	8,071,800	0.41%
Whitesell Enterprises	7,039,000	0.44%	New Plan Excel Reality Trust	7,015,100	0.35%
New Plan Cinnamison Urban Removal	6,095,400	0.38%	Hoeganaes Corp.	6,820,200	0.34%
Progida, LLC	5,500,000	0.34%	Kimco Corp.	6,300,000	0.32%
1 Sea Box Drive, LLC	5,272,300	0.33%	Main Line Shopping Center, LLC	6,296,700	0.32%
Main Line Shopping Center, LLC	5,053,600	0.32%	Riverton Country Club	5,526,300	0.28%
Villages at Cinnaminson Harbour	4,620,900	0.29%	Acme/Albertsons	5,471,900	0.28%
Riverton Country Club	4,507,200	0.28%	1 Sea Box Drive, LLC	5,444,200	0.27%
Total	$ 93,230,600	5.81%		$ 116,643,600	5.89%

Source: Municipal Tax Assessor

Cinnaminson Township School District **Exhibit J-9**
Property Tax Levies and Collections,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy [a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	$ 28,047,662	$ 28,047,662	100.00%	-
2011	29,579,010	29,579,010	100.00%	-
2012	29,755,000	29,755,000	100.00%	-
2013	30,106,097	30,106,097	100.00%	-
2014	30,492,221	30,492,221	100.00%	-
2015	31,215,482	31,215,482	100.00%	-
2016	32,731,445	32,731,445	100.00%	-
2017	34,241,505	34,241,505	100.00%	-
2018	34,989,194	34,989,194	100.00%	-
2019	35,635,487	35,635,487	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.

Cinnaminson Township School District **Exhibit J-10**
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

	Governmental Activities				Business-Type Activities			
Fiscal Year Ended June 30,	**General Obligation Bonds**	**Unfunded Pension Liability**	**Capital Leases**	**Bond Anticipation Notes (BANs)**	**Capital Leases**	**Total District**	**Percentage of Personal Income [a]**	**Per Capita [b]**
2010	$ 9,880,000	$ -	$ 344,751	$ -	$ -	$ 10,224,751	1.36%	656
2011	8,380,000	-	284,185	-	-	8,664,185	1.09%	544
2012	6,915,000	-	735,471	-	-	7,650,471	0.92%	468
2013	5,445,000	-	496,807	-	-	5,941,807	0.70%	361
2014	4,065,000	-	661,772	-	-	4,726,772	0.53%	285
2015	42,913,000	-	689,118	-	-	43,602,118	4.70%	2,634
2016	42,178,000	-	1,112,004	-	-	43,290,004	4.58%	2,630
2017	40,545,000	-	750,855	-	-	41,295,855	4.22%	2,517
2018	38,860,000	-	790,716	-	-	39,650,716	c	2,421
2019	37,140,000	-	839,520	-	-	37,979,520	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

Cinnaminson Township School District **Exhibit J-11**
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

	General Bonded Debt Outstanding				
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2010	$ 9,880,000	$ -	$ 9,880,000	0.50%	$ 634
2011	8,380,000	-	8,380,000	0.43%	526
2012	6,915,000	-	6,915,000	0.35%	423
2013	5,445,000	-	5,445,000	0.28%	331
2014	4,065,000	-	4,065,000	0.26%	246
2015	42,913,000	-	42,913,000	2.69%	2,593
2016	42,178,000	-	42,178,000	2.63%	2,563
2017	40,545,000	-	40,545,000	2.53%	2,471
2018	38,860,000	-	38,860,000	2.42%	2,373
2019	37,140,000	-	37,140,000	2.32%	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.

Cinnaminson Township School District **Exhibit J-12**
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2018

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Township of Cinnaminson	$ 21,169,675	100.00%	$ 21,169,675
Burlington County General Obligation Debt	253,458,314	3.797%	9,623,812
Subtotal, overlapping debt			30,793,487
Cinnaminson Township School District Direct Debt			37,140,000
Total direct and overlapping debt			$ 67,933,487

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 Cinnaminson. 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.

Cinnaminson 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		$ 1,797,604,732
2017		1,782,494,044
2018		1,762,748,212
	[A]	$ 5,342,846,988
Average equalized valuation of taxable property	**[A/3]**	$ 1,780,948,996
Debt limit (4% of average equalized valuation)	**[B]**	71,237,960 **a**
Net bonded school debt	**[C]**	37,140,000
Legal debt margin	**[B-C]**	$ 34,097,960

Fiscal Year

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	$ 77,873,320	$ 77,878,320	$ 77,445,586	$ 74,187,358	$ 71,598,361	$ 69,380,814	$ 69,744,720	$ 70,772,114	$ 71,417,470	$ 71,237,960
Total net debt applicable to limit	9,880,000	8,380,000	6,915,000	5,445,000	4,065,000	42,913,000	42,178,000	40,545,000	38,860,000	37,140,000
Legal debt margin	$ 67,993,320	$ 69,498,320	$ 70,530,586	$ 68,742,358	$ 67,533,361	$ 26,467,814	$ 27,566,720	$ 30,227,114	$ 32,557,470	$ 34,097,960
Total net debt applicable to the limit as a percentage of debt limit	12.69%	10.76%	8.93%	7.34%	5.68%	61.85%	60.47%	57.29%	54.41%	52.14%

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

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

Cinnaminson Township School District **Exhibit J-14**
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population [a]	Personal Income (thousands of dollars) [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
2010	15,593	$ 754,311,375	$ 48,375	9.4%
2011	15,918	795,438,378	49,971	9.1%
2012	16,364	834,924,008	51,022	9.5%
2013	16,446	846,903,216	51,496	7.2%
2014	16,558	885,670,862	53,489	5.5%
2015	16,552	927,243,040	56,020	4.4%
2016	16,457	945,767,333	57,469	3.8%
2017	16,407	978,825,213	59,659	3.5%
2018	16,375	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 Cinnaminson Township.
[c] Per Capita for Burlington County.
[d] Unemployment data provided by the NJ Dept of Labor and Workforce Development
[e] Not available.

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

Exhibit J-16

Function/Program	Fiscal Year Ending June 30, 2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Instruction										
Regular	174.4	169.9	173.6	178.9	182.5	177.7	175.0	185.9	185.7	189.7
Special education	54.9	41.6	39.6	42.8	42.9	42.1	42.9	51.9	51.6	48.6
Other special education	22.6	20.4	22.4	26.7	30.3	45.0	46.2	51.7	54.3	53.2
Vocational							3.1	3.1	2.9	3.1
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	33.4	28.9	28.2	29.7	30.7	31.8	31.8	31.0	30.3	30.3
School administrative services	24.4	23.1	21.0	21.9	20.8	21.0	21.0	23.6	21.9	24.1
General administrative services	4.0	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
Plant operations and maintenance	46.0	39.9	30.0	27.5	28.4	28.5	28.5	28.2	27.6	27.4
Pupil transportation	52.0	55.5	59.0	55.5	55.5	55.5	58.5	58.5	58.5	58.5
Business and other support services	12.4	12.4	12.4	12.4	12.4	12.4	13.4	13.4	13.1	12.7
Special Schools										
Food Service										
Child Care	21.0	15.0	17.0	16.0	16.0	16.0	13.0	16.0	16.0	16.0
Total	445.1	409.8	406.3	414.5	422.6	433.1	436.5	466.4	465.0	466.7

Source: District Personnel Records

Cinnaminson Township School District
Operating Statistics,
Last Ten Fiscal Years

Exhibit J-17

						Pupil/Teacher Ratio						
Fiscal Year	**Enrollment**	**Operating Expenditures** [a]	**Cost Per Pupil**	**Percentage Change**	**Teaching Staff** [b]	**Elementary**	**Middle School**	**Senior High School**	**Average Daily Enrollment (ADE)** [c]	**Average Daily Attendance (ADA)** [c]	**% Change in Average Daily Enrollment**	**Student Attendance Percentage**
2010	2,407	$ 40,939,193	$ 17,008	5.33%	208	1:12	1:10	1:12	2,419.8	2,299.5	1.43%	95.03%
2011	2,326	39,753,767	17,091	0.48%	211	1:12	1:10	1:12	2,338.6	2,241.3	-3.36%	95.84%
2012	2,350	40,660,099	17,302	1.23%	213	1:12	1:10	1:12	2,354.9	2,261.4	0.70%	96.03%
2013	2,345	42,634,690	18,181	5.08%	222	1:12	1:10	1:12	2,360.2	2,258.3	0.23%	95.68%
2014	2,354	44,312,542	18,824	3.53%	225	1:12	1:10	1:12	2,363.1	2,258.8	0.12%	95.59%
2015	2,412	44,917,253	18,622	-1.07%	220	1:12	1:10	1:12	2,412.6	2,300.6	0.12%	95.36%
2016	2,441	45,996,836	18,843	1.19%	207	1:13	1:10	1:12	2,439.1	2,321.9	1.10%	95.19%
2017	2,475	48,029,409	19,406	2.99%	207	1:13	1:10	1:12	2,474.5	2,364.7	1.45%	95.56%
2018	2,484	49,707,467	20,011	3.12%	207	1:13	1:10	1:12	2,493.4	2,370.4	0.76%	95.07%
2019	2,559	51,234,226	20,021	0.05%	207	1:13	1:10	1:12	2,554.4	2,442.3	2.45%	95.61%

Sources: District records

Note: Enrollment based on annual October district count.

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

Cinnaminson Township School District
School Building Information
Last Ten Fiscal Years

Exhibit J-18

	Fiscal Year Ending June 30,									
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
District Building										
Elementary										
New Albany Elementary (1966)										
Square Feet	47,966	47,966	47,966	47,966	47,966	47,966	47,966	47,966	55,253	55,253
Capacity (students)	470	470	470	470	470	470	470	470	470	470
Enrollment	517	513	503	520	531	524	549	558	553	574
Rush Elementary (1962)										
Square Feet	50,248	50,248	50,248	50,248	50,248	50,248	50,248	50,248	56,019	56,019
Capacity (students)	505	505	505	505	505	505	505	505	505	505
Enrollment	544	538	537	547	535	503	536	543	574	591
Middle School (1968)										
Square Feet	118,434	118,434	118,434	118,434	118,434	118,434	118,434	118,434	112,701	112,701
Capacity (students)	704	704	704	704	704	704	704	704	704	704
Enrollment	536	555	580	577	579	554	579	583	560	593
High School (1961)										
Square Feet	148,668	148,668	148,668	148,668	148,668	148,668	148,668	148,668	194,921	194,921
Capacity (students)	810	810	810	810	810	810	810	810	810	810
Enrollment	823	733	735	716	718	719	775	790	807	796
Other										
Central Administration (1959)										
Square Feet	27,965	27,965	27,965	27,965	27,965	27,965	27,965	27,965	29,757	29,757

Number of Schools at June 30, 2019
Elementary = 2
Middle School = 1
Senior High School = 1
Other = 1

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

Cinnaminson Township School District
Schedule of Required Maintenance
Last Ten Years

Exhibit J-19

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

	Fiscal Year Ending June 30,										
* School Facilities	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Cinnaminson School District											
New Albany Elementary	$ 62,926	$ 50,486	$ 49,080	$ 44,209	$ 48,783	$ 45,064	$ 49,852	$ 43,615	$ 183,075	$ 112,161	$ 689,251
Rush Intermediate	55,707	53,318	50,074	45,998	55,656	52,921	54,007	42,841	50,422	62,330	523,274
Middle School	87,148	75,042	80,965	84,777	108,082	112,661	124,632	83,877	177,139	101,413	1,035,736
High School	122,049	111,503	116,516	167,332	199,436	273,096	157,867	391,010	159,760	156,800	1,855,369
Central Office	56,811	41,491	105,743	91,383	50,099	41,128	29,081	46,538	52,319	45,078	559,671
Total School Facilities	$ 384,641	$ 331,840	$ 402,378	$ 433,699	$ 462,056	$ 524,870	$ 415,439	$ 607,881	$ 622,715	$ 477,782	$ 4,663,301

* 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

Cinnaminson Township School District **Exhibit J-20**
Insurance Schedule
June 30, 2019

	Coverage	Member Retention
School Package Policy - School Alliance Insurance Fund		
Property - Blanket Buildings and Contents	$ 95,359,234	$ 2,500
General and Auto Liability	15,000,000	1,000
Boiler and Machinery	100,000,000	2,500
Cyber Liability	2,000,000	10,000
Pollution Liability	1,000,000	10,000
Blanket Dishonesty Bond	100,000/500,000	1,000
Money and Securities	50,000	1,000
School Board Legal Liability	15,000,000	
Workers Compensation (1)	Statutory	
Excess Liability (1)	5,000,000	
Storage Tank Liability (2)	1,000,000	
Student Accident - (3)	1,000,000	
Surety Bonds (4)		
Treasurer	300,000	
Board Secretary	100,000	

(1) School Alliance Insurance Fund.
(2) Chubb
(3) National Union
(4) Selective Insurance Company.

Source: District records

Single Audit Section

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American Institute of CPAs
New Jersey Society of CPAs

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

I have audited Cinnaminson 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 Cinnaminson 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 Cinnaminson 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 Cinnaminson Township School District's internal control over compliance.

A d*eficiency 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

Exhibit K-3
Schedule A

CINNAMINSON 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	Balance at June 30, 2018 Deferred Revenue (Accts. Receivable)	Balance at June 30, 2018 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balance	Adjustment	Balance at June 30, 2019 (Accounts Receivable)	Balance at June 30, 2019 Deferred Revenue	Balance at June 30, 2019 Due to Grantor
U.S. Department of Education															
General Fund:															
Medical Assistance Program (SEMI)	93.778	1905NJ5MAP	N/A	$ 56,297	7/1/18 - 6/30/19	$ -	$ -	$ -	$ 56,297	$ (56,297)	$ -	$ -	$ -	$ -	$ -
Total General Fund						-	-	-	56,297	(56,297)	-	-	-	-	-
Special Revenue Fund:															
Every Student Succeeds Act															
Title I - Current Year	84.010	S010A180030	ESSA-0840-19	222,416	7/1/18 - 6/30/19				80,447	(115,496)			(35,049)		
Title I - Prior Year	84.010	S010A170030	ESSA-0840-18	226,790	7/1/17 - 6/30/18	(59,597)			59,597				-		
Title II - A - Current Year	84.367	S367A180029	ESSA-0840-19	55,554	7/1/18 - 6/30/19				36,146	(48,881)			(12,735)		
Title II - A - Prior Year	84.367	S367A170029	ESSA-0840-18	63,539	7/1/17 - 6/30/18	(15,244)			15,244				-		
Title III - Current Year	84.365	S365A180030	ESSA-0840-19	2,147	7/1/18 - 6/30/19				1,450	(2,147)			(697)		
Title III - Prior Year	84.365	S365A170030	ESSA-0840-18	11,368	7/1/17 - 6/30/18	(2,746)			2,746				-		
Title IV - Current Year	84.424	S424A180031	ESSA-0840-19	13,106	7/1/18 - 6/30/19				2,151	(4,375)			(2,224)		
Title IV - Prior Year	84.424	S424A170031	ESSA-0840-18	10,000	7/1/17 - 6/30/18	(39)			39				-		
Individuals With Disabilities Act (I.D.E.A.)															
Part B - Basic Current Year	84.027	H027A180100	IDEA-0840-19	629,431	7/1/18 - 6/30/19				610,884	(629,431)			(18,547)		
Part B - Basic Prior Year	84.027	H027A170100	IDEA-0840-18	648,499	7/1/16 - 6/30/17	(32,927)			32,927				-		
Part B - Preschool Current Year	84.173	H173A180114	IDEA-0840-19	28,916	7/1/18 - 6/30/19				19,760	(28,675)			(8,915)		
Part B - Preschool Prior Year	84.173	H173A170114	IDEA-0840-18	24,367	7/1/17 - 6/30/18	(5,534)			5,534				-		
Temporary Emergency Impact Aid	84.938C	S938C18005	N/A	14,875	7/1/17 - 6/30/18	(14,875)			14,875				-		
Total Special Revenue Fund						(130,962)	-	-	881,800	(829,005)	-	-	(78,167)	-	-
U.S. Department of Agriculture															
Enterprise Fund:															
Food Distribution Program	10.565	191NJ304N1099	N/A	61,764	7/1/18 - 6/30/19				61,764	(61,764)			-		
National School Lunch Program	10.555	191NJ304N1099	N/A	174,175	7/1/18 - 6/30/19				164,185	(174,175)			(9,990)		
National School Lunch Program	10.555	181NJ304N1099	N/A	160,010	7/1/17 - 6/30/18	(5,640)			5,640				-		
Special Milk Program	10.556	191NJ304N1099	N/A	1,970	7/1/18 - 6/30/19				1,837	(1,970)			(133)		
Special Milk Program	10.556	181NJ304N1099	N/A	2,032	7/1/17 - 6/30/18	(103)			103				-		
Total Enterprise Fund						(5,743)	-	-	233,529	(237,909)	-	-	(10,123)	-	-
Total Federal Awards						$ (136,705)	$ -	$ -	$ 1,171,626	$ (1,123,211)	$ -	$ -	$ (88,290)	$ -	$ -

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

Exhibit K-4
Schedule B

CINNAMINSON 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	Balance at June 30, 2018 Deferred Revenue (Accts. Receivable)	Balance at June 30, 2018 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2019 (Accounts Receivable)	Balance at June 30, 2019 Deferred Revenue	Balance at June 30, 2019 Due to Grantor
State Department of Education												
General Fund:												
Equalization Aid	19-495-034-5120-078	$ 7,371,587	7/1/18 - 6/30/19	$ -	$ -	$ -	$ 6,683,303	$ (7,371,587)	$ -	$ (688,284)	$ -	$ -
Equalization Aid	18-495-034-5120-078	7,371,587	7/1/17 - 6/30/18	(686,192)			686,192			-		
Special Education Categorical Aid	19-495-034-5120-089	1,385,471	7/1/18 - 6/30/19				1,256,110	(1,385,471)		(129,361)		
Special Education Categorical Aid	18-495-034-5120-089	1,385,471	7/1/17 - 6/30/18	(128,968)			128,968			-		
Security Aid	19-495-034-5120-084	57,475	7/1/18 - 6/30/19				52,109	(57,475)		(5,366)		
Security Aid	18-495-034-5120-084	57,475	7/1/17 - 6/30/18	(5,350)			5,350			-		
Transportation Aid	19-495-034-5120-014	483,083	7/1/18 - 6/30/19				437,977	(483,083)		(45,106)		
Transportation Aid	18-495-034-5120-014	185,546	7/1/17 - 6/30/18	(17,272)			17,272			-		
PARCC Readiness Aid	18-495-034-5120-098	23,210	7/1/17 - 6/30/18	(2,161)			2,161			-		
Per Pupil Growth Aid	18-495-034-5120-097	23,210	7/1/17 - 6/30/18	(2,160)			2,160			-		
Professional Learning Community Aid	18-495-034-5120-101	23,955	7/1/17 - 6/30/18	(2,230)			2,230			-		
Host District Support Aid	18-495-034-5120-102	391	7/1/17 - 6/30/18	(36)			36			-		
Nonpublic Transportation Aid	19-103190	24,908	7/1/18 - 6/30/19					(24,908)		(24,908)	-	-
Nonpublic Transportation Aid	18-103190	25,947	7/1/17 - 6/30/18	(25,947)			25,947			-		
Extraordinary Aid	19-495-034-5120-044	444,125	7/1/18 - 6/30/19					(444,125)		(444,125)		
Extraordinary Aid	18-495-034-5120-044	399,243	7/1/17 - 6/30/18	(399,243)			399,243			-		
On Behalf TPAF Pension Contributions	19-495-034-5094-002	3,667,567	7/1/18 - 6/30/19				3,667,567	(3,667,567)		-		
On Behalf TPAF Post Retirement Medical	19-495-034-5094-001	1,663,602	7/1/18 - 6/30/19				1,663,602	(1,663,602)		-		
On Behalf TPAF Pension LTDI	19-495-034-5094-004	2,949	7/1/18 - 6/30/19				2,949	(2,949)		-		
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	1,410,274	7/1/18 - 6/30/19				1,341,583	(1,410,274)		(68,691)		
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	1,390,194	7/1/17 - 6/30/18	(68,179)			68,179			-		
Total General Fund				(1,337,738)	-	-	16,442,938	(16,511,041)	-	(1,405,841)	-	-
Special Revenue Fund												
N.J. Nonpublic Aid:												
Textbook Aid	19-100-034-5120-064	16,607	7/1/18 - 6/30/19				16,607	(16,433)				174
Textbook Aid	18-100-034-5120-064	19,282	7/1/17 - 6/30/18		442				(442)			-
Technology Aid	19-100-034-5120-373	11,196	7/1/18 - 6/30/19				11,196	(11,177)				19
Technology Aid	18-100-034-5120-373	13,024	7/1/17 - 6/30/18		16				(16)			-
Nursing Aid	19-100-034-5120-070	30,264	7/1/18 - 6/30/19				30,264	(30,264)				-
Security Aid	19-100-034-5120-509	46,800	7/1/18 - 6/30/19				46,800	(35,352)				11,448
Security Aid	18-100-034-5120-509	26,475	7/1/17 - 6/30/18		147				(147)			-
Auxillary Services:												-
Compensatory Education	19-100-034-5120-067	57,530	7/1/18 - 6/30/19				57,530	(54,482)				3,048
Compensatory Education	18-100-034-5120-067	60,237	7/1/17 - 6/30/18		24,982				(24,982)			-
ESL	19-100-034-5120-067	431	7/1/18 - 6/30/19				431	(259)				172
Home Instruction	19-100-034-5120-067	651	7/1/18 - 6/30/19					(651)		(651)		
Handicapped Services:												-
Examination & Classification	19-100-034-5120-066	31,679	7/1/18 - 6/30/19				31,679	(22,216)				9,463
Examination & Classification	18-100-034-5120-066	27,129	7/1/17 - 6/30/18		2,553				(2,553)			-
Corrective Speech	19-100-034-5120-066	31,248	7/1/18 - 6/30/19				31,248	(15,981)				15,267
Corrective Speech	18-100-034-5120-066	31,248	7/1/17 - 6/30/18		13,124				(13,124)			-
Supplemental Instruction	19-100-034-5120-066	18,238	7/1/18 - 6/30/19				18,238	(8,722)				9,516
Supplemental Instruction	18-100-034-5120-066	22,996	7/1/17 - 6/30/18		7,772				(7,772)		-	-
Total Special Revenue Fund				-	49,036	-	243,993	(195,537)	(49,036)	(651)	-	49,107

(Continued)

Exhibit K-4
Schedule B

CINNAMINSON 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	Balance at June 30, 2018 Deferred Revenue (Accts. Receivable)	Balance at June 30, 2018 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2019 (Accounts Receivable)	Balance at June 30, 2019 Deferred Revenue	Balance at June 30, 2019 Due to Grantor
Debt Service Fund												
Debt Service Aid Type II	19-100-034-5120-017	$ 727,671	7/1/18 - 6/30/19	$ -	$ -	$ -	$ 727,671	$ (727,671)	$ -	$ -	$ -	$ -
State Department of Agriculture												
Enterprise Fund:												
State School Lunch Program	19-100-010-3350-023	7,240	7/1/18 - 6/30/19				6,819	(7,240)		(421)	-	
State School Lunch Program	18-100-010-3350-023	7,236	7/1/17 - 6/30/18	(262)			262			-		-
Total Enterprise Fund				(262)	-	-	7,081	(7,240)	-	(421)	-	-
Total State Financial Assistance				$ (1,338,000)	$ 49,036	$ -	$ 17,421,683	$ (17,441,489)	$ (49,036)	$ (1,406,913)	$ -	$ 49,107
Less: State Financial Expenditures Not Subject to Major Program Determination												
On-Behalf TPAF Contribution - Pension (Non-Budgeted)								(3,667,567)				
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)								(1,663,602)				
On Behalf TPAF Pension LTDI								(2,949)				
Total State Financial Expenditures Subject to Major Program Determination								$ (12,107,371)				

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

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

l. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Cinnaminson 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 more June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is ($23,748) in the general fund and $-0- in the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Fund	Federal	State	Total
General	$ 56,297	$ 16,487,293	$ 16,543,590
Special Revenue	829,005	195,537	1,024,542
Debt Service		727,671	727,671
Food Service	237,909	7,240	245,149
	$ 1,123,211	$ 17,417,741	$ 18,540,952

Cinnaminson 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)

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 distribution, respectively. TPAF Pension Contributions represents the amount paid by the State on behalf of the School 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.

CINNAMINSON 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:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
84.027	H027A180100	IDEA Part B - Basic
84.173	H173A180114	IDEA Part B - Preschool

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

Auditee qualified as low-risk auditee? __X__ yes ____ no

CINNAMINSON 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:

State Grant/Project Number(s)	Name of State Program
	State Aid Public Cluster:
19-495-034-5120-078	Equalization Aid
19-495-034-5120-089	Special Education Categorical Aid
19-495-034-5120-084	Security Aid
19-495-034-5094-003	Reimbursed TPAF Social Security Contributions

CINNAMINSON 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.

CINNAMINSON 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.

CINNAMINSON 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.