

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

Riverside, New Jersey
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

RIVERSIDE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Prepared by

**Riverside Township Public School District
Finance Department**

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INTRODUCTORY SECTION

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Riverside Township Public School District

112 E, Washington Street
Riverside, New Jersey 08075-3899
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Robin A. Ehrich
Superintendent of Schools
Ext. 1111

Jodi Lennon
Business Administrator/ Board Secretary
Ext. 1112

December 2, 2019

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

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Riverside Township Public School District for the fiscal year ended June 30, 2019, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Riverside Township Public School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to 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 district as of June 30, 2019, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Comprehensive Annual Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Riverside Township Public School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 as amended by GASB Statement No. 39. The Riverside Township Board of Education and its three schools constitute the district’s reporting entity.

The School District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and vocational as well as special education for children with special needs. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2018-2019	1,378	-1.22%
2017-2018	1,395	-2.11%
2016-2017	1,425	1.14%
2015-2016	1,409	0.36%
2014-2015	1,404	-3.84%
2013-2014	1,460	1.53%
2012-2013	1,438	4.28%
2011-2012	1,379	-1.08%
2010-2011	1,394	1.46%
2009-2010	1,374	-1.72%

ECONOMIC CONDITION AND OUTLOOK

The ratables in Riverside Township decreased once again, which has an impact on the taxpayer. However, state aid increased significantly and it is expected to increase again since Riverside is considered one of the “underfunded” school districts. This will assist the district in meeting his fiscal responsibility to provide a thorough and efficient education. In addition, revenue for tuition has remained somewhat stable, even though the number of high school students received from Delanco has continued to decrease slightly, because the number of special education students received from Delanco has increased.

MAJOR INITIATIVES

The school district commits resources to the social, emotional, and ethical development as well as the intellectual and physical growth of students. Our elementary school has a nurse, and full-time guidance counselor, our MS/HS hosts a full time nurse and nurse's aide as well as a full guidance team for students in grades 6 – 12. The district has a child study team (two learning disabilities consultants, two psychologists, and a social worker) to address the specialized learning needs of our students. Students with unique learning challenges receive extensive support through Basic Skills instruction, English as a Second Language, and Special Education services. The district operates several specialized programs for students: an integrated preschool program for students with disabilities; an MD program in the ES and MS; and a CBI program for students in grades 6 -12. Our fulltime Curriculum Coordinator supports teacher growth and capacity at all levels. The school district reflects a community which takes pride in its continuing tradition of academic and co-curricular achievement. The richness of the academic program and extracurricular activities expands learning beyond the classroom boundaries. Our three schools provide an educational environment that motivates students to learn and fosters a sense of responsibility and problem solving in our young people. Staff and student security and safety training as well as expanded building security enhancements are provided in order to maintain a safe and secure school environment.

INTERNAL ACCOUNTING CONTROLS

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general 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 delivered; and (2) the valuation of costs and benefits require 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 is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluations by the district management.

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the School 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 cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

The School District’s accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The School District’s accounting system is organized on the basis of funds. The funds are explained in “Notes to Financial Statements”, Note 1.

OTHER INFORMATION

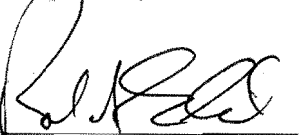
INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman, Frenia & Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor’s report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the Single Audit section of this report.

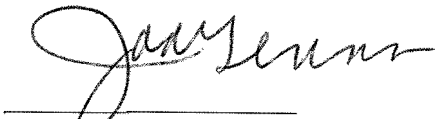
ACKNOWLEDGEMENTS

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

Respectfully submitted,

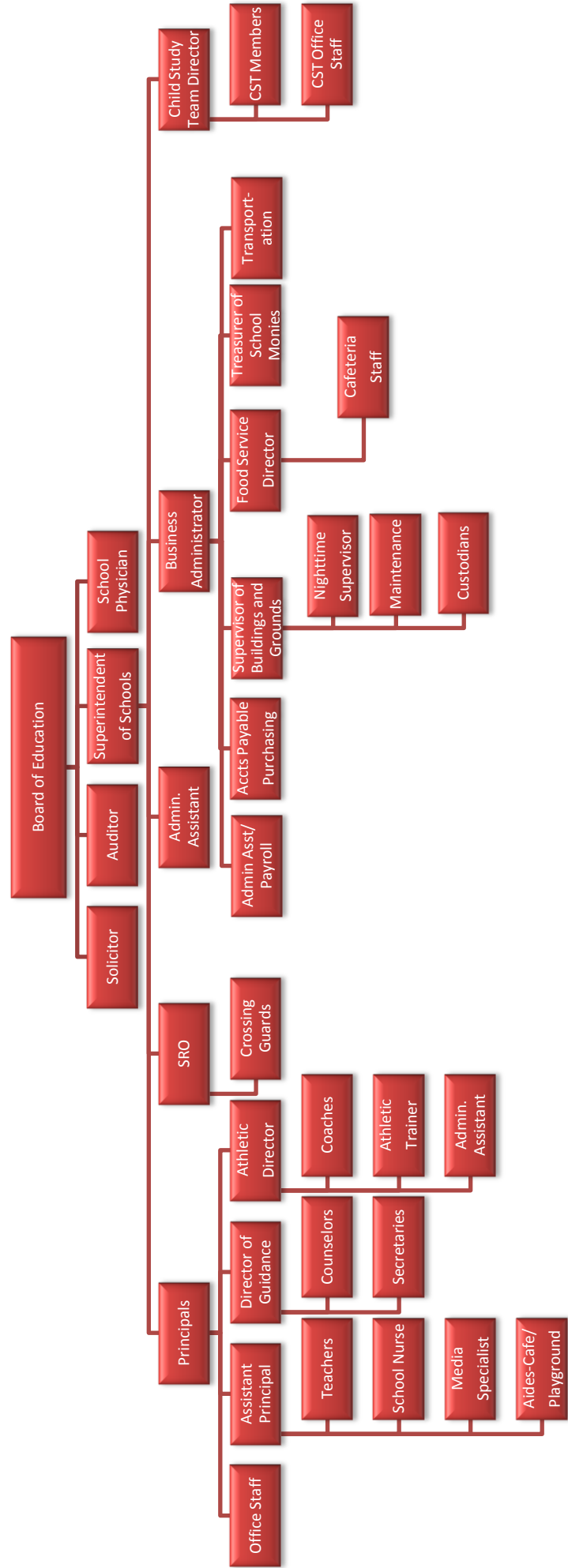


Superintendent



School Business Administrator/Board Secretary

RIVERSIDE TOWNSHIP BOARD OF EDUCATION ORGANIZATIONAL CHART



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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

112 E. Washington Street
Riverside, New Jersey 08075

ROSTER OF OFFICIALS

JUNE 30, 2019

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
John Mongon, President	2021
Deborah Graf, Vice President	2019
William Greiner	2019
Joseph D' Agonstino	2020
Michael Holak	2019
Maria Pinho	2020
Timothy McElroy	2021
Scott T. Parker	2021
Dean Potts	2020
Rose Gonteski, Delanco Representative	2020

OTHER OFFICIALS

Robin A. Ehrich, Superintendent

Jodi Lennon, Business Administrator/Board Secretary

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CONSULTANTS AND ADVISORS

AUDIT FIRM

Michael Holt, CPA, PSA
Holman Frenia Allison, P. C.
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Medford, New Jersey 08055

ATTORNEY

Joseph F. Betley
Capehart Scatchard
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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Riverside Township Public School District, 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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Riverside Township Public School District, 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 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, and the schedules related to accounting and reporting for pensions & other post-employment benefits, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Riverside Township Public 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 Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *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 the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting other records

used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining 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 section and statistical section 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, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2019 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
December 2, 2019

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Unaudited)

As management of the Riverside Township Public School District, 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.

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) Government-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.

Government-Wide Financial Statements

The *government-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 government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources 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 expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-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 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 reflect the Food Service Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with financial-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 government-wide financial statements. However, unlike the government-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 financial requirements in the near term.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

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 government-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 government-wide financial statements, only in more detail.

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-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.

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2019 compared to fiscal year 2018.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Unaudited) (Continued)

Table 1
Summary of Net Position

	June 30, <u>2019</u>	June 30, <u>2018</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 2,274,830	\$ 1,850,530	\$ 424,300	22.9%
Capital Assets, Net	8,830,107	8,925,442	(95,335)	-1.1%
Total Assets	<u>11,104,937</u>	<u>10,775,972</u>	328,965	3.1%
Deferred Outflow of Resources	<u>1,441,142</u>	1,954,186	(513,044)	-26.3%
Current and other Liabilities	1,173,485	944,181	229,304	24.3%
Noncurrent Liabilities	8,906,620	10,520,902	(1,614,282)	-15.3%
Total Liabilities	<u>10,080,105</u>	<u>11,465,083</u>	(1,384,978)	-12.1%
Deferred Inflow of Resources	<u>1,910,034</u>	1,393,886	516,148	37.0%
Net Position:				
Net Investment in Capital Asset	6,104,794	5,603,485	501,309	8.9%
Restricted	1,319,757	1,515,209	(195,452)	-12.9%
Unrestricted (Deficit)	(6,868,611)	(7,247,505)	378,894	-5.2%
Total Net Position	<u>\$ 555,940</u>	<u>\$ (128,811)</u>	<u>\$ 684,751</u>	-531.6%

Table 2 shows the changes in net position for fiscal year 2019 compared to fiscal year 2018.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Unaudited) (Continued)

Table 2
Summary of Changes in Net Position

	June 30, <u>2019</u>	June 30, <u>2018</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 154,804	\$ 157,893	\$ (3,089)	-2.0%
Operating Grants & Contributions	8,418,380	10,386,822	(1,968,442)	-19.0%
General Revenues:				
Property Taxes	8,941,355	8,724,344	217,011	2.5%
Federal & State Aid	11,890,734	14,350,246	(2,459,512)	-17.1%
Other General Revenues	2,310,297	1,811,736	498,561	27.5%
Total Revenues	31,715,570	35,431,041	(3,715,471)	-10.5%
Function/Program Expenses:				
Regular Instruction	6,325,075	6,127,563	197,512	3.2%
Special Education Instruction	4,106,898	4,119,080	(12,182)	-0.3%
Other Instruction	41,745	51,603	(9,858)	-19.1%
Tuition	2,203,800	2,130,656	73,144	3.4%
Student & Instruction Related Services	1,804,066	1,671,566	132,500	7.9%
General Administrative	834,045	827,240	6,805	0.8%
School Administrative Services	1,544,736	1,400,178	144,558	10.3%
Plant Operations & Maintenance	2,007,524	1,906,011	101,513	5.3%
Pupil Transportation	488,616	451,482	37,134	8.2%
Unallocated Benefits	6,124,358	10,195,904	(4,071,546)	-39.9%
On Behalf TPAF Pension and Social				
Security Contributions	4,255,089	5,188,894	(933,805)	-18.0%
Transfer to Charter Schools	53,204	-	53,204	100.0%
Interest & Other Charges	246,512	152,707	93,805	61.4%
Capital Asset Adjustment	43,107	-	43,107	100.0%
Unallocated Depreciation	367,749	362,789	4,960	1.4%
Food Service	584,295	603,857	(19,562)	-3.2%
Total Expenses	31,030,819	35,189,530	(4,158,711)	-11.8%
Change In Net Position	684,751	241,511	443,240	183.5%
Net Position - Beginning	(128,811)	(370,322)	241,511	-65.2%
Net Position - Ending	\$ 555,940	\$ (128,811)	\$ 684,751	-531.6%

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Unaudited) (Continued)

Governmental Activities

During the fiscal year 2019, the net position of governmental activities increased by \$616,312.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$317,373, with an unrestricted deficit balance of \$7,035,825. The deficit in unrestricted net position is primarily due to accounting treatment for bonds payable, compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

Table 3
GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$ (6,868,611)
Add back: PERS Pension Liability	5,544,563
Less: Deferred Outflows related to pensions	(1,095,807)
Add back: Deferred Inflows related to pensions	<u>1,910,034</u>
Unrestricted Net Position (Without GASB 68)	<u><u>\$ (509,821)</u></u>

Business-type Activities

During the fiscal year 2019, the net position of business-type activities increased by \$68,439.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$238,567.

General Fund Budgeting Highlights

Final budgeted revenues was \$21,898,668, which was equal to the original budget. Excluding nonbudgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$241,971.

Final budgeted appropriations was \$22,795,899, which was a decrease of \$34,769 from the original budget. Excluding nonbudgeted expenditures, the School District’s budget appropriations exceeded actual expenditures by \$853,968.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$2,310,084 at June 30, 2019, an increase of \$145,504 from the prior year.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Unaudited) (Continued)

Governmental Funds

At the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance of \$1,229,589, an increase of \$121,419 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District’s general fund increased by \$121,419 or 10.96% to \$1,229,589 at June 30, 2019, compared to a decrease of \$35,381 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- Tax Levy Revenue increased by \$215,071 from the prior year

Special revenue fund – There was no change in the fund balance for the special revenue fund.

Capital projects fund - There was no change in the fund balance for the capital projects fund.

Debt service fund - There was no change in the fund balance for the debt service fund.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District’s food service fund increased by \$68,439 or 40.22% to \$238,567 at June 30, 2019, compared to an increase of \$26,360 in fund balance in the prior fiscal year.

Capital Assets

The School District’s capital assets for its governmental and business-type activities as of June 30, 2019, totaled \$8,830,106 (net of accumulated depreciation). Capital assets includes construction in progress, land improvements, buildings and improvements and equipment. The School Districts “Net Investment in Capital Assets” component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net decrease in the School District’s investment in capital assets for the current fiscal year in the amount of \$95,316. Table 4 shows fiscal 2019 balances compared to 2018.

Table 4
Summary of Capital Assets

<u>Capital Asset (Net of Depreciation):</u>	<u>June 30,</u> <u>2019</u>	<u>June 30,</u> <u>2018</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
Construction in Progress	\$ 286,749	\$ -	286,749	100.0%
Land Improvements	58,515	69,261	(10,746)	-15.5%
Building and Improvements	8,242,245	8,537,836	(295,591)	-3.5%
Equipment	242,597	318,325	(75,728)	-23.8%
	<u>\$ 8,830,106</u>	<u>\$ 8,925,422</u>	<u>\$ (95,316)</u>	<u>-1.1%</u>

Depreciation expense for the year was \$374,000. 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.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
(Unaudited) (Continued)

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$2,755,000, which represents a decrease of \$615,000 from the prior year.

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.

Factors on the School District's Future

The Riverside Township Public School District has committed itself to strong financial controls. The School District spends a lot of time monitoring its budget, scrutinizing spending requests, and has been implementing even stronger internal controls. The School District commits itself to constantly reviewing the ways in which it conducts business, and making improvements whenever possible, in order to meet future challenges and maximize instructional spending.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the Riverside Township Public School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Riverside Township Board of Education, 112 E. Washington Street, Riverside, New Jersey 08075

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2019

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 996,236	\$ 182,955	\$ 1,179,191
Receivables, Net (Note 4)	1,050,671	26,259	1,076,930
Inventory	-	5,135	5,135
Internal Balances	4,175	(4,175)	-
Restricted Assets:			
Capital Reserve Account - Cash	13,574	-	13,574
Capital Assets:			
Depreciable, Net (Note 5)	8,758,754	71,353	8,830,107
Total Assets	10,823,410	281,527	11,104,937
DEFERRED OUTFLOW OF RESOURCES			
Deferred Charges of Refunding of Debt (Note 7)	70,439	-	70,439
Deferred Outflows Related to Pensions (Note 8)	1,370,703	-	1,370,703
Total Deferred Outflow of Resources	1,441,142	-	1,441,142
Total Assets and Deferred Outflow of Resources	12,264,552	281,527	12,546,079
LIABILITIES			
Accounts Payable	420,223	40,462	460,685
Accrued Interest Payable	20,562	-	20,562
Unearned Revenue	414,844	2,498	417,342
PERS Pension Payable	274,896	-	274,896
Noncurrent Liabilities (Note 7):			
Due Within One Year	690,752	-	690,752
Due Beyond One Year	8,215,868	-	8,215,868
Total Liabilities	10,037,145	42,960	10,080,105
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	1,910,034	-	1,910,034
Total Deferred Inflow of Resources	1,910,034	-	1,910,034
Total Liabilities and Deferred Inflow of Resources	11,947,179	42,960	11,990,139
NET POSITION			
Net Investment in Capital Assets	6,033,441	71,353	6,104,794
Restricted For:			
Capital Projects	13,574	-	13,574
Excess Surplus	1,306,183	-	1,306,183
Unrestricted	(7,035,825)	167,214	(6,868,611)
Total Net Position	\$ 317,373	\$ 238,567	\$ 555,940

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Governmental Activities:						
Instruction:						
Regular	\$ 6,325,075	\$ -	\$ -	\$ (6,325,075)	\$ -	\$ (6,325,075)
Special Education	3,270,590	-	1,278,602	(1,991,988)	-	(1,991,988)
Other Special Instruction	836,308	-	-	(836,308)	-	(836,308)
Other Instruction	41,745	-	-	(41,745)	-	(41,745)
Support Services & Undistributed Costs:						
Tuition	2,203,800	-	-	(2,203,800)	-	(2,203,800)
Student & Instruction Related Services	1,804,066	-	-	(1,804,066)	-	(1,804,066)
School Administrative Services	1,544,736	-	528,631	(1,016,105)	-	(1,016,105)
General & Business Administrative Services	834,045	-	-	(834,045)	-	(834,045)
Plant Operations & Maintenance	2,007,524	-	-	(2,007,524)	-	(2,007,524)
Pupil Transportation	488,616	-	-	(488,616)	-	(488,616)
Unallocated Employee Benefits	6,124,358	-	1,858,897	(4,265,461)	-	(4,265,461)
On Behalf TPAF Pension and Social Security Contributions	4,255,089	-	4,255,089	-	-	-
Transfer to Charter Schools	53,204	-	-	(53,204)	-	(53,204)
Interest & Other Changes on Long Term Debt	246,512	-	-	(246,512)	-	(246,512)
Capital Asset Adjustments	43,107	-	-	(43,107)	-	(43,107)
Unallocated Depreciation	367,749	-	-	(367,749)	-	(367,749)
Total Governmental Activities	30,446,524	-	7,921,219	(22,525,305)	-	(22,525,305)

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Business-Type Activities:					
Food Service	584,295	154,804	497,161	-	67,670
Total Business-Type Activities	584,295	154,804	497,161	-	67,670
Total Primary Government	\$ 31,030,819	\$ 154,804	\$ 8,418,380	(22,525,305)	(22,457,635)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes, Net				8,194,215	8,194,215
Taxes Levied for Debt Service				747,140	747,140
Federal & State Aid Not Restricted				11,890,734	11,890,734
Tuition Received				1,702,818	1,702,818
Miscellaneous Income				606,710	607,479
Total General Revenues, Special Items, Extraordinary Items & Transfers				23,141,617	23,142,386
Change In Net Position				616,312	684,751
Net Position - Beginning				(298,939)	(128,811)
Net Position - Ending				\$ 317,373	\$ 555,940

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

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B. Fund Financial Statements

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Governmental Funds

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2019**

ASSETS	GENERAL	SPECIAL REVENUE	TOTALS
Cash & Cash Equivalents	\$ 723,178	\$ 273,058	\$ 996,236
Accounts Receivable:			
Receivables - Other - Net	326,813	227,056	553,869
Intergovernmental - State	176,558	-	176,558
Intergovernmental - Federal	3,160	228,925	232,085
Interfund Receivables	100,744	-	100,744
Restricted Cash & Cash Equivalents	13,574	-	13,574
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 1,344,027</u>	<u>\$ 729,039</u>	<u>\$ 2,073,066</u>
 LIABILITIES & FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 114,438	\$ 305,785	\$ 420,223
Interfund Payables	-	8,410	8,410
Unearned Revenue	-	414,844	414,844
	<hr/>	<hr/>	<hr/>
Total Liabilities	114,438	729,039	843,477
Fund Balances:			
Restricted for:			
Excess Surplus - Current Year	609,787	-	609,787
Excess Surplus - Prior Year Designated for Subsequent Year's Expenditures	696,396	-	696,396
Capital Reserve Account	13,574	-	13,574
Assigned to:			
Designated by the BOE for Subsequent Year's Expenditures	411,587	-	411,587
Unassigned:			
General Fund	(501,755)	-	(501,755)
	<hr/>	<hr/>	<hr/>
Total Fund Balances	1,229,589	-	1,229,589
Total Liabilities & Fund Balances	<u>\$ 1,344,027</u>	<u>\$ 729,039</u>	
 Amounts reported for <i>governmental activities</i> 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 \$16,458,139 and the accumulated depreciation is \$7,699,385. (See Illustrative Note 5)			\$ 8,758,754
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payable is not due in the current period.			(20,562)
Accrued pension contributions for June 30, 2019 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.			(274,896)
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.			(539,331)
Unamortized bond issuance loss on refunding is not recorded in the fund financials But is recorded on the government-wide financials			70,439
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Illustrative Note 7)			<u>(8,906,620)</u>
Net Position of Governmental Activities			<u>\$ 317,373</u>

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2019**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 8,194,215	\$ -	\$ 747,140	\$ 8,941,355
Tuition	1,702,818	-	-	1,702,818
Miscellaneous	328,787	277,923	-	606,710
	<hr/>			
Total Revenues - Local Sources	10,225,820	277,923	747,140	11,250,883
	<hr/>			
State Sources	15,372,595	746,217	-	16,118,812
Federal Sources	44,010	1,061,016	-	1,105,026
	<hr/>			
Total Revenues	25,642,425	2,085,156	747,140	28,474,721
<hr/>				
Expenditures:				
Current Expense				
Instruction - Regular Programs	6,325,075	-	-	6,325,075
Special Education	1,991,988	1,278,602	-	3,270,590
Other Special Instruction	836,308	-	-	836,308
Other Instruction	41,745	-	-	41,745
Support Services:				
Tuition	2,203,800	-	-	2,203,800
Student & Instruction Related				
Services	1,804,066	-	-	1,804,066
School Administrative Services	1,024,931	519,805	-	1,544,736
General Administrative Services	834,045	-	-	834,045
Plant Operations & Maintenance	1,991,799	-	-	1,991,799
Pupil Transportation	488,616	-	-	488,616
Employee Benefits	7,756,118	-	-	7,756,118
Debt Service:				
Principal	-	-	615,000	615,000
Interest & Other Charges	-	-	132,140	132,140
Capital Outlay	169,311	286,749	-	456,060
	<hr/>			
Total Expenditures	25,467,802	2,085,156	747,140	28,300,098
<hr/>				
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	174,623	-	-	174,623
<hr/>				
Other Financing Sources/(Uses):				
Transfer to Charter Schools	(53,204)	-	-	(53,204)
Transfers Out	-	-	-	-
	<hr/>			
Total Other Financing Sources/(Uses)	(53,204)	-	-	(53,204)
<hr/>				
Net Change in Fund Balances	121,419	-	-	121,419
Fund Balance - July 1	1,108,170	-	-	1,108,170
	<hr/>			
Fund Balance - June 30	\$ 1,229,589	\$ -	\$ -	\$ 1,229,589
	<hr/>			

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

**RIVERSIDE TOWNSHIP PUBLIC 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)	\$	121,419
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:		
Depreciation Expense	\$ (367,749)	
Fixed Asset Disposals & Adjustments	(43,107)	
Capital Outlays	310,858	(99,998)
Amortization of losses on early extinguishments of debt and premiums from refunded debt issuances are recorded when incurred in the governmental funds but are accrued and expensed over time in the statement of activities.		
Current Year	160,364	
Prior Year	(137,988)	22,376
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		615,000
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
		(35,214)
Net Difference Accrued interest on bonds is not recorded in fund financial statements		
Current Year	(20,562)	
Prior Year	25,158	4,596
Increase in accrual for compensated absences		
		(11,867)
Change in Net Position of Governmental Activities		
	\$	616,312

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Proprietary Funds

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2018**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Current Assets:	
Cash & Cash Equivalents	\$ 182,955
Accounts Receivable:	
State	391
Federal	25,868
Inventories	5,135
Total Current Assets	214,349
Noncurrent Assets:	
Furniture, Machinery & Equipment	253,094
Less: Accumulated Depreciation	(181,741)
Total Noncurrent Assets	71,353
Total Assets	285,702
LIABILITIES	
Interfund Payable	4,175
Accounts Payable	40,462
Unearned Revenue	2,498
Total Liabilities	47,135
NET POSITION	
Net Investment in Capital Assets	71,353
Unrestricted	167,214
Total Net Position	\$ 238,567

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR FISCAL YEAR ENDED JUNE 30, 2019**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Operating Revenues:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 91,505
Daily Sales - Non-Reimbursable Programs	62,103
Special Functions	1,196
Miscellaneous	769
Total Operating Revenue	155,573
Operating Expenses:	
Cost of Sales- Reimbursable	226,958
Cost of Sales- Non-Reimbursable	30,240
Salaries & Benefits	188,873
Employee Benefits	45,729
Other Purchased Professional Services	29,540
Cleaning, Repair & Maintenance Services	16,660
Insurance	8,479
General Supplies	27,593
Miscellaneous	3,972
Depreciation	6,251
Total Operating Expenses	584,295
Operating Income/(Loss)	(428,722)
Nonoperating Revenues/(Expenses):	
State Sources:	
State School Lunch Program	6,923
Federal Sources:	
National School Lunch Program	335,987
Regular School Breakfast Program	102,455
Special Milk Program	110
Healthy Hunger-Free Kids Act	7,710
Food Distribution Program	41,549
Interest & Investment Revenue	2,427
Total Nonoperating Revenues/(Expenses)	497,161
Net Income/(Loss)	68,439
Total Net Position - Beginning	170,128
Total Net Position - Ending	\$ 238,567

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR FISCAL YEAR ENDED JUNE 30, 2019**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 209,296
Payments to Employees	(188,873)
Payments for Employee Benefits	(45,729)
Payments to Suppliers	(322,785)
Net Cash Provided by/(Used) by Operating Activities	(348,091)
Cash Flows From Noncapital Financing Activities:	
State Sources	6,949
Federal Sources	488,343
Net Cash Provided by/(Used) by Noncapital Financing Activities	495,292
Cash Flows From Capital and Related Financing Activities:	
Purchases of Capital Assets	(10,934)
Net Cash Provided by/(Used) by Capital and Related Financing Activities	(10,934)
Cash Flows From Investing Activities:	
Interest & Dividends	2,427
Net Cash Provided by/(Used) by Investing Activities	2,427
Net Increase/(Decrease) in Cash & Cash Equivalents	138,694
Balances - Beginning of Year	44,261
Balances - End of Year	\$ 182,955
 Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Operating Income/(Loss)	\$ (428,722)
Adjustments to Reconcile Operating Income/Loss to Net Cash Provided/(Used) by Operating Activities:	
Depreciation & Net Amortization	6,251
(Increase)/Decrease in Accounts Receivable, Net	53,723
(Decrease)/Increase in Accounts Payable, Net	20,273
Increase/(Decrease) in Unearned Revenues	(94)
(Increase)/Decrease in Inventories	478
Total Adjustments	80,631
Net Cash Provided/(Used) by Operating Activities	\$ (348,091)

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

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Fiduciary Fund

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

ASSETS	PRIVATE PURPOSE			TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	AGENCY FUNDS	
Cash & Cash Equivalents	\$ 119,087	\$ 196,286	\$ 267,257	\$ 582,630
Interfund Receivable	15,393	-	-	15,393
Total Assets	134,480	196,286	267,257	598,023
LIABILITIES				
Due to Student Groups	-	-	119,789	119,789
Due to Employees	-	-	16,209	16,209
Payroll Deductions & Withholdings	-	-	27,707	27,707
Interfund Payable	-	-	103,552	103,552
Total Liabilities	-	-	267,257	267,257
NET POSITION				
Restricted for Unemployment Compensation	-	196,286	-	196,286
Restricted for Scholarships	134,480	-	-	134,480
Total Net Position	\$ 134,480	\$ 196,286	\$ -	\$ 330,766

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ADDITIONS	PRIVATE PUPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Contributions:			
Plan Members	\$ -	\$ 20,973	\$ 20,973
Other	11,451	-	11,451
Total Contributions	11,451	20,973	32,424
Investment Earnings:			
Interest	1,020	2,616	3,636
Net Investment Earnings	1,020	2,616	3,636
Total Additions	12,471	23,589	36,060
DEDUCTIONS			
Unemployment Claims	-	699	699
Principal Returned	-	-	-
Scholarships Awarded	12,092	-	12,092
Total Deductions	12,092	699	12,791
Change in Net Position	379	22,890	23,269
Net Position - Beginning of the Year	134,101	173,396	307,497
Net Position - End of the Year	\$ 134,480	\$ 196,286	\$ 330,766

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 201

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The Riverside Township Public School District (hereafter referred to as the "District") is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board consists of 10 members elected to three-year terms. These terms are staggered. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The District provides a full range of educational services appropriate to grade levels K through 12. The Riverside Township Public School District has an approximate enrollment at June 30, 2019 of 1,378 students.

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

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

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.

Component Units

GASB Statement No.14, The Financial Reporting Entity, provides 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 Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34 and GASB 80, Blending Requirements for certain component units – an Amendment of GASB Statement No. 14 . The District had no component units as of for the year ended June 30, 2019.

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

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

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

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

decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District's fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

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

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the 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 which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education the District includes budgeted capital outlay in this fund. Generally accepted accounting principles 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, interest earnings and appropriated fund balance. Expenditures are those that 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. These resources can be transferred from and to Current Expense by board resolution.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

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

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The District had no activity during the current fiscal year.

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

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

Additionally, the District reports the following major fiduciary funds:

Private Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The district currently maintains the following private purpose trust funds:

Unemployment Trust Fund – Revenues consist of employee payroll withholdings, interest income, and contributions through the annual budget process of the District. Expenditures consist of unemployment reimbursement claims.

Scholarship Fund – Revenues consist of interest income and donations. Expenditures consist of scholarships provided to students.

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

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

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

that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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. 6A:23-2-2(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:23-2-11.

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

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

The budget, as detailed on Exhibit C-1, 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 accounts as presented in the General Fund Budgetary Comparison Schedules 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 Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal 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 last 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. Open encumbrances in governmental funds other than the special revenue fund are reported as assigned fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned 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 and Cash Equivalents

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2019 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

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

Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Compensated Absences

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

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in 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, government fund payables and

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

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

accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This 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. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These 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 (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2019.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

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

- Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

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

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2019:

Statement No. 83, Certain Asset Retirement Obligations. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Statement No. 83 establishes guidance for determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to such obligations. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Implementation of this Statement did not have a material impact on the School District’s financial statements.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

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

Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements. The Governmental Accounting Standards Board (GASB) has issued a new standard with guidance the GASB believes will enhance debt-related disclosures in notes to financial statements, including those addressing direct borrowings and direct placements. The new standard clarifies which liabilities governments should include in their note disclosures related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Implementation of this Statement did not have a material impact on the School District's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 84, Fiduciary Activities. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 is effective for reporting periods beginning after December 15, 2018. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 87, Leases. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after December 15, 2019. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Statement No. 90 is effective for reporting periods beginning after December 15, 2018. Management has not yet determined the potential impact on the School District's financial statements.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

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

Statement No. 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. Statement No. 91 is effective for reporting periods beginning after December 15, 2020. Management has not yet determined the potential impact on the School District's financial statements.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

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

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 pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

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

employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2019, the District’s bank balance of \$2,276,685 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 1,309,946
Uninsured and Uncollateralized	<u>966,739</u>
	<u>\$ 2,276,685</u>

Investments

The School District had no investments at June 30, 2019.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by inclusion of \$220,000 in the 2000-2001 budget 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 department, 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 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 *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.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 3. Reserve Accounts (continued)

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

Beginning Balance, July 1, 2018	\$	13,378
Increased by:		
Interest Earnings		<u>196</u>
Ending Balance, June 30, 2019	\$	<u><u>13,574</u></u>

Note 4. Accounts Receivable

Accounts receivable at June 30, 2019 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2019, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>	<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Business-Type Activities</u>
Federal Awards	\$ 3,160	\$ 228,925	\$ 232,085	\$ 25,868	\$ 25,868
State Awards	176,558	-	176,558	391	391
Other	326,813	227,056	553,869	-	-
Total	<u>\$ 506,531</u>	<u>\$ 455,981</u>	<u>\$ 962,512</u>	<u>\$ 26,259</u>	<u>\$ 26,259</u>

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 5. Capital Assets

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

	Balance July 1, 2018	Additions	Retirements and Transfers	Balance June 30, 2019
Governmental Activities:				
Capital assets not being depreciated:				
Construction in Progress		286,749.00	-	286,749.00
Total Capital Assets not being depreciated	-	286,749.00	-	286,749.00
Capital Assets being depreciated:				
Land Improvements	\$ 584,451	\$ -	\$ -	\$ 584,451
Buildings and Improvements	14,672,977	-	-	14,672,977
Equipment	932,960	39,834	(58,832)	913,962
Total Capital Assets being depreciated	16,190,388	39,834	(58,832)	16,171,390
Less: Accumulated Depreciation:				
Land Improvements	(515,190)	(10,748)	-	(525,938)
Buildings and Improvements	(6,135,141)	(295,252)	-	(6,430,393)
Equipment	(681,305)	(61,749)	-	(743,054)
Total Accumulated Depreciation	(7,331,636)	(367,749)	-	(7,699,385)
Total Capital Assets being depreciated, net	8,858,752	(327,915)	(58,832)	8,472,005
Total Governmental Activities Capital Assets, net	\$ 8,858,752	\$ (41,166)	\$ (58,832)	\$ 8,758,754

	Balance July 1, 2018	Additions	Retirements and Transfers	Balance June 30, 2019
Business-Type Activities:				
Equipment	\$ 242,160	\$ 10,934	\$ -	\$ 253,094
	242,160	10,934	-	253,094
Less: Accumulated Depreciation:				
Equipment	(175,490)	(6,252)	-	(181,742)
	(175,490)	(6,252)	-	(181,742)
Total Business-Type Activities Capital Assets, net	\$ 66,670	\$ 4,682	\$ -	\$ 71,352

Depreciation expense was not allocated among the various functions/programs of the School District.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2019 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 100,744	\$ -
Special Revenue Fund	-	8,410
Food Service Fund	-	4,175
Scholarship Fund	15,393	-
Payroll Fund	-	103,552
	<u>\$ 116,137</u>	<u>\$ 116,137</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

There were no interfund transfers in the current year.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2019 the following changes occurred in long-term obligations for the governmental and business-type activities:

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2019</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 3,370,000	\$ -	\$ 615,000	\$ 2,755,000	\$ 650,000
Unamortized Bond Premiums	196,968	-	40,752	156,216	40,752
Compensated Absences	438,974	11,867	-	450,841	-
Net Pension Liability	6,514,960	-	970,397	5,544,563	-
	<u>\$ 10,520,902</u>	<u>\$ 11,867</u>	<u>\$ 1,626,149</u>	<u>\$ 8,906,620</u>	<u>\$ 690,752</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences and net pension liability are liquidated by the general fund.

Bonds Payable

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

In July 2011, the School District issued \$750,000 of General Obligation Bonds. The General Obligation Bonds were issued at an interest rate of 3.30% and matures on February 1, 2023.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 7. Long-Term Obligations (continued)

In May 2012, the School District issued \$5,465,000 of Refunding Bonds to refund the callable portion of the outstanding 2011 Bond Issue. The Refunding Bonds generated \$290,244 in gross debt service savings and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$254,283, or a net annual present value savings of 4.51%. The Refunding Bonds were issued at interest rates varying from 3% to 4% and mature on May 1, 2023.

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

Fiscal Year Ending				
<u>June 30,</u>	<u>Principal</u>		<u>Interest</u>	<u>Total</u>
2020	\$ 650,000	\$	108,030	\$ 758,030
2021	670,000		82,555	752,555
2022	705,000		56,280	761,280
2023	730,000		28,640	758,640
	<u>\$ 2,755,000</u>	<u>\$</u>	<u>275,505</u>	<u>\$ 3,030,505</u>

Bonds Authorized but not Issued

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

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability.

Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2019, the School District reported a liability of \$5,544,563 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2017, to the measurement date of June 30, 2018. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2018. The School District's proportion measured as of June 30, 2018, was .02816%, which was an increase of .0001729% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the School District recognized full accrual pension expense of \$315,317 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2018 measurement date. At June 30, 2019 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

	<u>Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 105,736	\$ 28,590
Changes of Assumptions	913,652	1,772,856
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	52,008
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	76,419	56,580
School District Contributions Subsequent to Measurement Date	<u>274,896</u>	<u>-</u>
	<u>\$ 1,370,703</u>	<u>\$ 1,910,034</u>

\$274,896 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2018-2019 total salaries for PERS employees multiplied by an employer pension contribution rate of 13.37%. The payable is due on April 1, 2020 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	
<u>Dec 31,</u>	<u>Amount</u>
2019	\$ 218,934
2020	(91,787)
2021	(224,513)
2022	(348,063)
2023	<u>(93,905)</u>
	<u>\$ (539,334)</u>

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:

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
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
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.63, 5.48, 5.57, 5.72 and 6.44 years for the 2018, 2017, 2016, 2015, and 2014 amounts, respectively.

Actuarial Assumptions – The collective 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 assumptions:

Inflation	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%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2011 - June 30, 2014

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

The actuarial assumptions used in the July 1, 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.

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

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

Discount Rate - The discount rate used to measure the total pension liability was 5.66% as of June 30, 2018. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% 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.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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 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 or 1-percentage point higher than the current rate:

	1% Decrease <u>(4.66%)</u>	Current Discount Rate <u>(5.66%)</u>	1% Increase <u>(6.66%)</u>
District's Proportionate Share of the Net Pension Liability	\$ 6,971,650	\$ 5,544,564	\$ 4,347,330

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2019 and 2018

Balances at June 30, 2019 and June 30, 2018

	<u>6/30/2019</u>	<u>6/30/2018</u>
Actuarial valuation date (including roll forward)	June 30, 2018	June 30, 2017
Deferred Outflows of Resources	\$ 1,095,807	\$ 1,585,270
Deferred Inflows of Resources	1,910,034	1,393,886
Net Pension Liability	5,544,563	6,514,960
District's portion of the Plan's total net pension Liability	0.02816%	0.02799%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 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 the respective tier.

Contributions - The contribution policy for TPAF is set 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 active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.2% in State fiscal year 2017. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2018 was \$60,000,761. The School District's proportionate share was \$0.

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, which was rolled forward to June 30, 2018. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2018, the State proportionate share of

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

the TPAF net pension liability attributable to the School District was .09431%, which was a decrease of .000853% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the School District recognized \$1,903,565 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2018 measurement date.

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

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, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2018 are summarized in the following table:

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<hr style="width: 100%; border: 0.5px solid black;"/>	
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 4.86% as of June 30, 2018. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 4.86% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

	1% Decrease (3.86%)	Current Discount Rate (4.86%)	1% Increase (5.86%)
District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the District	<u>70,919,760</u>	<u>60,000,761</u>	<u>50,949,177</u>
	<u>\$ 70,919,760</u>	<u>\$ 60,000,761</u>	<u>\$ 50,949,177</u>

Pension Plan Fiduciary Net Position - 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.

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2019 and 2018:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Collective Deferred Outflows of Resources	12,675,037,111	14,353,461,035
Collective Deferred Inflows of Resources	16,381,811,884	11,992,821,439
Collective Net Pension Liability	63,806,350,446	67,670,209,171
School District's Portion	0.09431%	0.09517%

C. Defined Contribution Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 8. Pension Plans (continued):

C. Defined Contribution Plan (DCRP) (continued):

- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2017 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2019, employee contributions totaled \$14,719 and the District recognized pension expense of \$8,029.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees'

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 9. Post-Retirement Benefits (Continued):

Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

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

Basis of Presentation

The Schedule presents the State of New Jersey’s obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2017. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate: 2.5%

	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-2014 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount- Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)

Note 9. Other Post-Retirement Benefits (continued):

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, 2010 – June 30, 2013, and July 1, 2011 – June 30, 2014 for TPAF, PFRS and PERS, respectively.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2018 was \$43,643,796. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2018, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2018, the State proportionate share of the OPEB Obligation attributable to the School District was 0.09464977%, which was a decrease of 0.00032268% from its proportion measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the State of New Jersey recognized an OPEB expense in the amount of \$1,857,299 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2018 measurement date.

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.8% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

The discount rate for June 30, 2018 was 3.87%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

	June 30, 2018		
	At 1% Decrease (2.87%)	At Discount Rate (3.87%)	At 1% Increase (4.87%)
State of New Jersey's Proportionate Share of Total Obligations Associated with the School District	\$ 51,595,851	\$ 43,643,796	\$ 37,322,733
State of New Jersey's Total Non- employer Liability	\$ 54,512,391,175	\$ 46,110,832,982	\$ 39,432,461,816

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate

The following presents the total nonemployer OPEB liability as of June 30, 2018, 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 1-percentage point higher than the current rate:

	June 30, 2018		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 36,074,139	\$ 43,643,796	\$ 53,654,957
State of New Jersey's Total Nonemployer OPEB Liability	\$ 38,113,289,045	\$ 46,110,832,982	\$ 56,687,891,003

* See Healthcare Cost Trend Assumptions for details of rates.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

Additional Information

Collective balances of the Local Group at June 30, 2018 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 1,377,313,892	\$ (1,377,313,892)
Differences between Expected & Actual Experience	-	(4,476,086,167)
Change in Assumptions	-	(10,335,978,867)
Contributions Made in Fiscal Year Year Ending 2019 After June 30, 2018 Measurement Date **	TBD	-
	\$ 1,377,313,892	\$ (16,189,378,926)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2019	(1,825,218,593)
2020	(1,825,218,593)
2021	(1,825,218,593)
2022	(1,825,218,593)
2023	(1,825,218,593)
Thereafter	(5,685,972,069)
	(14,812,065,034)

** Employer Contributions made after June 30, 2018 are reported as a deferred outflow of resources, but are not amortized in expense.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

Plan Membership

At June 30, 2017, the Program membership consisted of the following:

	June 30, 2017
Active Plan Members	217,131
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	145,050
	362,181

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2019 (measurement date June 30, 2018) is as follows:

Total OPEB Liability

Service Cost	\$ 1,984,642,729
Interest Cost	1,970,236,232
Difference Between Expected & Actual Experience	(5,002,065,740)
Changes of Assumptions	(5,291,448,855)
Contributions: Member	42,614,005
Gross Benefit Payments	(1,232,987,247)
Net Change in Total OPEB Liability	(7,529,008,876)
Total OPEB Liability (Beginning)	53,639,841,858
Total OPEB Liability (Ending)	\$ 46,110,832,982
Total Covered Employee Payroll	\$ 13,640,275,833
Net OPEB Liability as a Percentage of Payroll	338%

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2019, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$1,903,565, \$757,254, \$863,454 and \$1,598, respectively.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 11. 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; injuries to employees; and natural disasters.

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest</u>	<u>Employee Contributions</u>	<u>Transfer to General</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018-2019	\$ 2,616	\$ 20,973	\$ -	\$ 699	196,286
2017-2018	1,777	20,985	-	887	173,396
2016-2017	850	20,089	100,000	5,560	151,521

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

Joint Insurance Pool – The School District also participates in the Burlington County Joint Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property – Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Workers’ Compensation
School Board Legal Liability	Excess Liability
Employers Liability	Comprehensive Crime Coverage

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2019 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 12. Contingencies (continued)

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

Note 13. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning
Prudential
AFLAC

Note 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 amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District 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 School Districts’ agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2019, the liability for compensated absences reported on the government-wide Statement of Net Position was \$450,841.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, 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.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 15. Tax Abatements (continued)

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

Note 16. Commitments

The School District has no contractual commitments at June 30, 2019.

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2019 was \$609,789.

Note 18. Fund Balances

General Fund – Of the \$1,229,589 General Fund fund balance at June 30, 2019, \$13,574 has been restricted for the Capital Reserve Account; \$609,787 has been restricted for current year excess surplus; \$696,396 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$411,587 has been assigned and included as anticipated revenue for the year ending June 30, 2019; and \$(501,755) has been unassigned.

Note 19. Deficit Fund Balances

The School District has a deficit fund balance of \$501,755 in the General Fund as of June 30, 2019 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$501,755 which is less than the last state aid payment.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019 (continued)**

Note 20. Deficit in Net Position

Unrestricted Net Position – The School District’s governmental activities had a deficit in unrestricted net position in the amount of \$7,035,825. The primary causes of the deficit are the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees’ Retirement System (PERS) as of June 30, 2019. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 21. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2019 and December 2, 2019, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 8,194,215	\$ -	\$ 8,194,215	\$ 8,194,215	\$ -
Tuition	10-1320	1,631,768	-	1,631,768	1,702,818	71,050
Interest on Capital Reserve Funds	10-1511	10	-	10	196	186
Miscellaneous	10-1990	305,230	-	305,230	328,591	23,361
Total Local Sources		10,131,223	-	10,131,223	10,225,820	94,597
State Sources:						
Categorical Special Education Aid	10-3132	827,038	-	827,038	827,038	-
Equalization Aid	10-3176	10,277,763	-	10,277,763	10,277,763	-
Categorical Security Aid	10-3177	439,613	-	439,613	439,613	-
Categorical Transportation Aid	10-3121	187,558	-	187,558	187,558	-
Extraordinary Aid	10-3131	-	-	-	138,837	138,837
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	1,903,565	1,903,565
On-Behalf TPAF Medical Contributions		-	-	-	863,454	863,454
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,598	1,598
Reimbursed TPAF Social Security Contributions		-	-	-	757,254	757,254
Total State Sources		11,731,972	-	11,731,972	15,396,680	3,664,708
Federal Sources:						
Medicaid Aid Reimbursement	10-4210	35,473	-	35,473	44,010	8,537
Total Federal Sources		35,473	-	35,473	44,010	8,537
Total Revenues		21,898,668	-	21,898,668	25,666,510	3,767,842
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	335,405	-	335,405	335,405	-
Grades 1 - 5	11-120-100-101	1,795,651	(4,407)	1,791,244	1,782,074	9,170
Grades 6 - 8	11-130-100-101	1,450,377	7,360	1,457,737	1,439,559	18,178
Grades 9-12	11-140-100-101	2,362,029	(7,500)	2,354,529	2,339,377	15,152
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	7,747	14,860	22,607	22,227	380
Purchased Professional/ Educational Services:						
	11-150-100-320	2,500	-	2,500	1,914	586
Regular Programs - Undistributed Instruction:						
Purchased Professional/ Educational Services:						
	11-190-100-320	199,020	(7,360)	191,660	185,591	6,069
Purchased Technical Services	11-190-100-340	10,625	-	10,625	5,581	5,044
General Supplies	11-190-100-610	202,417	(175)	202,242	183,279	18,963
Textbooks	11-190-100-640	39,950	-	39,950	29,568	10,382
Other Objects	11-190-100-800	2,300	-	2,300	500	1,800
Total Regular Programs		6,408,021	2,778	6,410,799	6,325,075	85,724
Special Education:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	155,270	-	155,270	155,270	-
Other Salaries for Instruction	11-212-100-106	102,872	-	102,872	100,866	2,006
General Supplies	11-212-100-610	2,200	-	2,200	1,514	686
Total Multiple Disabilities		260,342	-	260,342	257,650	2,692
Resource Room/ Resource Center:						
Salaries of Teachers	11-213-100-101	1,503,438	(7,120)	1,496,318	1,470,543	25,775
Other Salaries for Instruction	11-213-100-106	277,349	(48,952)	228,397	228,396	1
General Supplies	11-213-100-610	8,339	-	8,339	5,197	3,142
Textbooks	11-213-100-640	250	-	250	-	250
Other Objects	11-213-100-800	100	-	100	-	100
Total Resource Room/Resource Center		1,789,476	(56,072)	1,733,404	1,704,136	29,268

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Home Instruction:						
Salaries of Teachers	11-219-100-101	22,101	7,007	29,108	29,108	-
Purchased Professional/ Educational Services	11-219-100-320	8,715	(7,500)	1,215	1,094	121
Total Home Instruction		30,816	(493)	30,323	30,202	121
Total Special Education		2,080,634	(56,565)	2,024,069	1,991,988	32,081
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	130,797	-	130,797	128,117	2,680
General Supplies	11-230-100-610	5,900	(580)	5,320	1,821	3,499
Total Basic Skills/Remedial		136,697	(580)	136,117	129,938	6,179
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	181,755	4,407	186,162	181,906	4,256
General Supplies	11-240-100-610	1,757	-	1,757	1,683	74
Total Bilingual Education - Instruction		183,512	4,407	187,919	183,589	4,330
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	76,901	-	76,901	72,027	4,874
Purchased Services	11-401-100-500	1,590	-	1,590	1,500	90
Supplies & Materials	11-401-100-600	1,800	250	2,050	812	1,238
Other Objects	11-401-100-800	13,330	(250)	13,080	10,671	2,409
Total School Sponsored Cocurricular Activities		93,621	-	93,621	85,010	8,611
School Sponsored Athletics:						
Salaries	11-402-100-100	328,394	-	328,394	317,163	11,231
Purchased Services	11-402-100-500	81,550	2,000	83,550	78,249	5,301
Supplies & Materials	11-402-100-600	43,146	(2,000)	41,146	38,813	2,333
Other Objects	11-402-100-800	10,950	-	10,950	3,546	7,404
Total School Sponsored Athletics		464,040	-	464,040	437,771	26,269
Other Instructional Programs:						
Salaries	11-403-100-100	38,200	(3,879)	34,321	8,935	25,386
Supplies & Materials	11-403-100-600	100	-	100	36	64
Total Other Instructional Programs		38,300	(3,879)	34,421	8,971	25,450
Before/After School Programs - Instruction:						
Salaries of Teachers	11-421-100-101	6,529	-	6,529	5,576	953
Total Before/After School Programs - Instruction		6,529	-	6,529	5,576	953
Summer School - Instruction:						
Salaries of Teachers	11-422-100-101	16,613	7,120	23,733	23,611	122
Other Salaries of Instruction	11-422-100-106	-	3,588	3,588	3,587	1
General Supplies	11-422-100-610	300	(238)	62	-	62
Total Summer School - Instruction		16,913	10,470	27,383	27,198	185
Community Services Programs/Operations:						
Purchased Services	11-800-330-500	50	-	50	-	50
Total Community Services Programs/Operations		50	-	50	-	50
Total - Instruction		9,428,317	(43,369)	9,384,948	9,195,116	189,832
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEAs Within State - Regular	11-000-100-561	77,850	-	77,850	56,299	21,551
Tuition to Other LEAs Within State - Special	11-000-100-562	407,943	(123,368)	284,575	281,810	2,765
Tuition to County Vocational School District - Regular	11-000-100-563	155,480	-	155,480	155,480	-

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Tuition to CSSD & Regional Day Schools	11-000-100-565	973,844	(68,769)	905,075	693,001	212,074
Tuition to Private Schools for the Handicapped Within the State	11-000-100-566	855,058	123,303	978,361	944,716	33,645
Tuition - State Facilities	11-000-100-568	72,494	-	72,494	72,494	-
Total Instruction		2,542,669	(68,834)	2,473,835	2,203,800	270,035
Health Services:						
Salaries	11-000-213-100	196,765	-	196,765	195,305	1,460
Purchased Professional & Technical Services	11-000-213-300	12,800	-	12,800	10,583	2,217
Other Purchased Services	11-000-213-500	120	-	120	-	120
Supplies and Materials	11-000-213-600	10,175	-	10,175	4,376	5,799
Total Health Services		219,860	-	219,860	210,264	9,596
Speech, OT, PT & Related Services:						
Salaries	11-000-216-100	154,267	-	154,267	142,705	11,562
Purchased Professional/Educational Services	11-000-216-320	164,539	34,000	198,539	188,625	9,914
Supplies & Materials	11-000-216-600	1,700	-	1,700	1,673	27
Other Objects	11-000-216-800	300	-	300	-	300
Total Speech, OT, PT & Related Services		320,806	34,000	354,806	333,003	21,803
Guidance:						
Salaries of Other Professional Staff	11-000-218-104	311,268	-	311,268	309,090	2,178
Salaries of Secretarial & Clerical Assistants	11-000-218-105	101,680	-	101,680	100,954	726
Purchased Professional/Educational Services	11-000-218-320	995	-	995	895	100
Other Purchased Services	11-000-218-500	200	-	200	-	200
Supplies & Materials	11-000-218-600	16,435	-	16,435	9,720	6,715
Other Objects	11-000-218-800	740	10	750	513	237
Total Guidance		431,318	10	431,328	421,172	10,156
Child Study Team:						
Salaries of Other Professional Staff	11-000-219-104	493,226	-	493,226	489,885	3,341
Salaries of Secretarial & Clerical Assistants	11-000-219-105	93,542	-	93,542	93,542	-
Miscellaneous Purchased Services	11-000-219-592	13,460	65	13,525	13,524	1
Supplies & Materials	11-000-219-600	3,797	-	3,797	3,767	30
Other Objects	11-000-219-800	1,100	-	1,100	1,070	30
Total Child Study Team		605,125	65	605,190	601,788	3,402
Improvement of Instruction:						
Salaries of Other Professional Staff	11-000-221-104	99,250	(820)	98,430	96,250	2,180
Supplies & Materials	11-000-221-600	300	-	300	246	54
Other Objects	11-000-221-800	-	820	820	820	-
Total Improvement of Instruction		99,550	-	99,550	97,316	2,234
Educational Media Services/School Library:						
Salaries	11-000-222-100	122,370	-	122,370	119,249	3,121
Purchased Professional & Technical Services	11-000-222-300	450	-	450	384	66
Supplies & Materials	11-000-222-600	14,700	-	14,700	13,924	776
Other Objects	11-000-222-800	300	-	300	134	166
Total Educational Media Services/School Library		137,820	-	137,820	133,691	4,129

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ACCOUNT NUMBERS	JUNE 30, 2019			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Instructional Staff Training						
Purchased Professional Educational Services	11-000-223-320	8,500	(850)	7,650	5,497	2,153
Other Purchased Services	11-000-223-500	750	-	750	308	442
Supplies	11-000-223-600	1,000	850	1,850	1,027	823
Total Instructional Staff Training		10,250	-	10,250	6,832	3,418
Support Services - General Administration:						
Salaries	11-000-230-100	209,916	-	209,916	209,916	-
Legal Services	11-000-230-331	30,000	14,879	44,879	44,878	1
Audit Fees	11-000-230-332	23,000	1,000	24,000	24,000	-
Architectural/Engineering Services	11-000-230-334	14,400	(12,000)	2,400	-	2,400
Other Purchased Professional Services	11-000-230-339	10,040	-	10,040	8,643	1,397
Communications/Telephone	11-000-230-530	48,700	-	48,700	48,300	400
BOE Other Purchased Services	11-000-230-585	5,000	-	5,000	3,095	1,905
Miscellaneous Purchased Services	11-000-230-590	68,973	-	68,973	62,528	6,445
General Supplies	11-000-230-610	22,180	(4,095)	18,085	12,069	6,016
Miscellaneous Expenditures	11-000-230-890	7,335	(200)	7,135	4,346	2,789
BOE Membership Dues & Fees	11-000-230-895	10,347	200	10,547	10,546	1
Total Support Services General Administration		449,891	(216)	449,675	428,321	21,354
Support Services - School Administration:						
Salaries of Principals & Assistant Principal	11-000-240-103	689,001	-	689,001	689,001	-
Salaries of Secretarial & Clerical Assistants	11-000-240-105	318,163	-	318,163	312,853	5,310
Purchased Professional & Technical Services	11-000-240-300	6,700	-	6,700	5,568	1,132
Other Purchased Services	11-000-240-500	850	-	850	561	289
Supplies and Materials	11-000-240-600	9,209	-	9,209	8,372	837
Other Objects	11-000-240-800	10,725	(10)	10,715	8,576	2,139
Total Support Services School Administration		1,034,648	(10)	1,034,638	1,024,931	9,707
Support Services - Central Services:						
Salaries	11-000-251-100	243,125	-	243,125	242,733	392
Purchased Professional Services	11-000-251-330	1,000	-	1,000	1,000	-
Purchased Technical Services	11-000-251-340	14,560	2,446	17,006	16,758	248
Miscellaneous Purchased Services	11-000-251-592	5,700	-	5,700	4,664	1,036
Supplies and Materials	11-000-251-600	5,359	-	5,359	2,719	2,640
Miscellaneous Expenditures	11-000-240-890	2,545	-	2,545	2,238	307
Total Support Services Central Services		272,289	2,446	274,735	270,112	4,623
Administrative Information Technology:						
Salaries	11-000-252-100	86,899	-	86,899	86,899	-
Purchased Professional Services	11-000-252-330	12,400	1,650	14,050	14,050	-
Purchased Technical Services	11-000-252-340	26,000	(2,141)	23,859	23,857	2
Supplies and Materials	11-000-252-600	12,055	-	12,055	10,806	1,249
Total Administrative Information Technology		137,354	(491)	136,863	135,612	1,251
Required Maintenance for School Facilities:						
Cleaning, Repair & Maintenance Services	11-000-261-420	157,373	85,000	242,373	236,662	5,711
General Supplies	11-000-261-610	43,600	(6,060)	37,540	32,231	5,309
Total Required Maintenance for School Facilities		200,973	78,940	279,913	268,893	11,020

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	ACCOUNT NUMBERS	JUNE 30, 2019			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Custodial Services:						
Salaries	11-000-262-100	955,917	-	955,917	932,766	23,151
Salaries of Noninstructional Aides	11-000-262-107	68,736	-	68,736	62,877	5,859
Cleaning, Repair & Maintenance Services	11-000-262-420	117,255	(1,658)	115,597	91,265	24,332
Other Purchased Property Services	11-000-262-490	39,000	-	39,000	37,984	1,016
Insurance	11-000-262-520	81,344	-	81,344	81,335	9
General Supplies	11-000-262-610	84,850	6,060	90,910	70,238	20,672
Energy (Natural Gas)	11-000-262-621	100,000	-	100,000	88,168	11,832
Energy (Electricity)	11-000-262-622	350,000	-	350,000	296,586	53,414
Other Objects	11-000-262-800	570	-	570	445	125
Total Custodial Services		1,797,672	4,402	1,802,074	1,661,664	140,410
Care & Upkeep of Grounds:						
Cleaning, Repair & Maintenance Services	11-000-263-420	9,500	-	9,500	9,500	-
General Supplies	11-000-263-610	15,325	-	15,325	12,914	2,411
Total Care & Upkeep of Grounds		24,825	-	24,825	22,414	2,411
Security:						
Purchased Professional & Technical Services	11-000-266-300	38,000	4,553	42,553	38,828	3,725
Total Security		38,000	4,553	42,553	38,828	3,725
Student Transportation Services:						
Other Purchased Professional & Technical Services	11-000-270-390	481,000	-	481,000	473,231	7,769
Miscellaneous Purchased Services - Transportation	11-000-270-593	13,276	-	13,276	13,275	1
Transportation Supplies	11-000-270-615	5,000	-	5,000	1,975	3,025
Other Objects	11-000-270-800	1,500	-	1,500	135	1,365
Total Student Transportation Services		500,776	-	500,776	488,616	12,160
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	233,000	19,882	252,882	252,410	472
Other Retirement Contributions PERS	11-000-291-241	285,000	(3,729)	281,271	281,271	-
Other Retirement Contributions Regular	11-000-291-249	13,000	(5,205)	7,795	7,795	-
Unemployment Compensation	11-000-291-250	-	10	10	-	10
Workmen's Compensation	11-000-291-260	108,954	-	108,954	108,943	11
Health Benefits	11-000-291-270	3,699,385	(46,265)	3,653,120	3,564,960	88,160
Tuition Reimbursements	11-000-291-280	15,100	(7,000)	8,100	7,000	1,100
Other Employee Benefits	11-000-291-290	500	16,052	16,552	7,868	8,684
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	20,000	(20,000)	-	-	-
Total Unallocated Benefits - Employee Benefits		4,374,939	(46,255)	4,328,684	4,230,247	98,437
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	1,903,565	(1,903,565)
On-Behalf TPAF Medical Contributions		-	-	-	863,454	(863,454)
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,598	(1,598)
Reimbursed TPAF Social Security Contributions		-	-	-	757,254	(757,254)
Total Undistributed Expenditures		13,198,765	8,610	13,207,375	16,103,375	(2,896,000)
Total Expenditures - Current Expense		22,627,082	(34,759)	22,592,323	25,298,491	(2,706,168)

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	JUNE 30, 2019			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Capital Outlay:						
Undistributed Expenditures:						
Undistributed Expenditures- Instruction	12-000-100-730	6,210	-	6,210	5,768	442
Administration Information Technology	12-000-252-730	6,013	-	6,013	5,850	163
Required Maintenance for School Facilities	12-000-261-730	61,876	-	61,876	28,216	33,660
Interest Deposit to Capital Reserve	10-604	10	(10)	-	-	-
Total Equipment		74,109	(10)	74,099	39,834	34,265
Facilities Acquisition & Construction Services:						
Assessment for Debt Service on SDA Funding	12-000-400-896	129,477	-	129,477	129,477	-
Total Facilities Acquisition & Construction Services		129,477	-	129,477	129,477	-
Total Capital Outlay		203,586	(10)	203,576	169,311	34,265
Total Expenditures		22,830,668	(34,769)	22,795,899	25,467,802	(2,671,903)
Excess/(Deficiency) of Revenues Over Expenditures Before Other Financing Sources/(Uses)		(932,000)	34,769	(897,231)	198,708	1,095,939
Other Financing Sources/(Uses):						
Transfer to Charter Schools	10-000-100-56X	(18,435)	(34,769)	(53,204)	(53,204)	-
Total Other Financing Sources/(Uses)		(18,435)	(34,769)	(53,204)	(53,204)	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/Uses		(950,435)	-	(950,435)	145,504	1,095,939
Fund Balances, July 1		2,164,580	-	2,164,580	2,164,580	-
Fund Balances, June 30		\$ 1,214,145	\$ -	\$ 1,214,145	\$ 2,310,084	\$ 1,095,939

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Capital Reserve	\$ 13,574
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	696,396
Excess Surplus	609,787
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	411,587
Unassigned Fund Balance	<u>578,740</u>
Subtotal	2,310,084
Reconciliation to Governmental Funds Statements (GAAP):	
Reconciliation of State Aid Payments For GAAP to Budgetary Basis & Other Adjustments	<u>(1,080,495)</u>
Fund Balance Per Governmental Funds (GAAP)	<u>\$ 1,229,589</u>

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	JUNE 30, 2019				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
Local Sources	\$ -	\$ 977,000	\$ 977,000	\$ 277,923	\$ (699,077)
State Sources	1,363,022	-	1,363,022	746,217	(616,805)
Federal Sources	842,212	218,805	1,061,017	1,061,016	(1)
Total Revenues	2,205,234	1,195,805	3,401,039	2,085,156	(1,315,883)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	618,887	22,541	641,428	625,170	16,258
Other Salaries for Instruction	214,266	18,711	232,977	219,788	13,189
Purchased Professional & Educational Services	-	21,842	21,842	15,327	6,515
General Supplies	638,130	1,293	639,423	60,739	578,684
Tuition to Other LEA's Within State - Regular	367,644	-	367,644	357,578	10,066
Total Instruction	1,838,927	64,387	1,903,314	1,278,602	624,712
Support Services:					
Salaries of Other Professional Staff	118,666	(5,790)	112,876	112,876	-
Personal Services - Employee Benefits	233,241	137,474	370,715	379,823	(9,108)
Purchased Professional & Educational Services	-	3,500	3,500	3,500	-
Other Purchased Services	14,400	9,206	23,606	23,606	-
Supplies & Materials	-	10,028	10,028	-	10,028
Total Support Services	366,307	154,418	520,725	519,805	920
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	-	-	8,826	(8,826)
Security Upgrades	-	-	977,000	277,923	699,077
Total Facilities Acquisition & Construction Services	-	-	977,000	286,749	690,251
Total Expenditures	2,205,234	218,805	3,401,039	2,085,156	1,315,883
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ 977,000	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2019**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 25,666,510	\$ 2,085,156
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,056,410	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,080,495)	-
	(1,080,495)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 25,642,425	\$ 2,085,156
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 25,467,802	\$ 2,085,156
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	-
	-	-
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 25,467,802	\$ 2,085,156

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST SIX FISCAL YEARS**

	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.02799%	0.02799%	0.02798%	0.02817%	0.02885%	0.02782%
District's proportionate share of the net pension liability (asset)	\$ 6,514,960	\$ 6,514,960	\$ 8,287,929	\$ 6,324,033	\$ 5,401,731	\$ 5,317,867
District's covered-employee payroll	2,016,590	2,003,594	1,951,460	1,961,747	1,923,104	1,904,049
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	323.07%	325.16%	424.70%	322.37%	280.89%	279.29%
Plan fiduciary net position as a percentage of the total pension liability	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST SIX FISCAL YEARS**

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 280,101	\$ 259,271	\$ 248,602	\$ 242,203	\$ 237,845	\$ 209,654
Contributions in relation to the contractually required contribution	(280,101)	(259,271)	(248,602)	(242,203)	(237,845)	(209,654)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 2,016,590	\$ 2,016,590	\$ 1,951,460	\$ 1,961,747	\$ 1,923,104	\$ 1,904,049
Contributions as a percentage of covered-employee payroll	13.89%	12.86%	12.74%	12.35%	12.37%	11.01%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST SIX FISCAL YEARS**

	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 60,000,761.0	\$ 64,165,507.0	\$ 75,427,453	\$ 60,570,984	\$ 53,249,503	\$ 49,044,915
District's covered-employee payroll	10,779,736	10,405,054	10,074,075	9,782,672	9,760,858	9,602,393
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	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST TWO FISCAL YEARS*

	2019	2018
District's Total OPEB Liability		
Service Cost	\$ 1,742,872	\$ 2,099,998
Interest Cost	1,866,166	1,609,874
Difference between Expected & Actual Differences	(4,773,281)	-
Changes of Assumptions	(5,008,344)	(6,581,352)
Contributions: Member	40,334	43,449
Gross Benefit Payments	(1,167,020)	(1,179,950)
	<hr/>	<hr/>
Net Change in District's Total OPEB Liability	(7,299,273)	(4,007,981)
District's Total OPEB Liability (Beginning)	50,943,069	54,951,050
	<hr/>	<hr/>
District's Total OPEB Liability (Ending)	<u>\$ 43,643,796</u>	<u>\$ 50,943,069</u>
District's Covered Employee Payrol	\$ 12,796,326	\$ 12,077,669
District's Net OPEB Liability as a Percentage of Payrol	341%	422%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 4.25% as of June 30, 2017, to 4.86% as of June 30, 2018.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.00% as of June 30, 2017, to 5.66% as of June 30, 2018.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2019**

	NO CHILD LEFT BEHIND				
	TITLE I PART-A	TITLE I SIA	TITLE II PART-A	TITLE III	TITLE III IMMIGRANT
Revenues:					
Federal Sources	\$ 591,109	\$ 52,694	\$ 15,000	\$ 27,921	\$ 6,648
Total Revenues	<u>\$ 591,109</u>	<u>\$ 52,694</u>	<u>\$ 15,000</u>	<u>\$ 27,921</u>	<u>\$ 6,648</u>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 351,396	\$ -	\$ 11,449	\$ 11,093	\$ -
Other Salaries for Instruction	75,569	-	-	10,781	6,176
General Supplies	-	42,368	-	-	-
Total Instruction	<u>426,965</u>	<u>42,368</u>	<u>11,449</u>	<u>21,874</u>	<u>6,176</u>
Support Services:					
Salaries of Other Professional Staff	29,211	-	-	-	-
Personal Services - Employee Benefits	132,933	-	3,551	6,047	472
Purchased Professional Educational Services	2,000	1,500	-	-	-
Supplies & Materials	-	-	-	-	-
Total Support Services	<u>164,144</u>	<u>1,500</u>	<u>3,551</u>	<u>6,047</u>	<u>472</u>
Facilities Acquisition & Construction Services: Instructional Equipment	-	8,826	-	-	-
Total Facilities Acquisition & Construction Services	<u>-</u>	<u>8,826</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 591,109</u>	<u>\$ 52,694</u>	<u>\$ 15,000</u>	<u>\$ 27,921</u>	<u>\$ 6,648</u>

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2019**

	I.D.E.A. PART B				TOTALS
	BASIC REGULAR PROGRAM	PRESCHOOL	PRESCHOOL EDUCATION AID	BURLCO SECURITY GRANT	
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ 277,923	\$ 277,923
State Sources	-	-	746,217	-	746,217
Federal Sources	357,578	10,066	-	-	1,061,016
Total Revenues	\$ 357,578	\$ 10,066	\$ 746,217	\$ 277,923	\$ 2,085,156
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ 251,232	\$ -	\$ 625,170
Other Salaries for Instruction	-	-	127,262	-	219,788
Purchased Professional & Educational Services	-	-	15,327	-	15,327
Tuition to Other LEA's Within State-Regular	357,578	-	-	-	357,578
General Supplies	-	-	18,371	-	60,739
Total Instruction	357,578	-	412,192	-	1,278,602
Support Services:					
Salaries of Other Professional Staff	-	-	83,665	-	112,876
Personal Services - Employee Benefits	-	10,066	226,754	-	379,823
Purchased Professional Educational Services	-	-	-	-	3,500
Rentals	-	-	23,606	-	23,606
Total Support Services	-	10,066	334,025	-	519,805
Facilities Acquisition & Costruction Services:					
Construction Services	-	-	-	273,161	273,161
Instructional Equipment	-	-	-	-	8,826
Non-Instructional Equipment	-	-	-	4,762	4,762
Total Support Services	-	-	-	277,923	286,749
Total Expenditures	\$ 357,578	\$ 10,066	\$ 746,217	\$ 277,923	\$ 2,085,156

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID OF EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2019**

	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 267,490	\$ 251,232	\$ 16,258
Other Salaries for Instruction	129,357	127,262	2,095
Purchase of Professional and Technical Services	-	15,327	(15,327)
General Supplies	638,131	18,371	619,760
	<hr/>	<hr/>	<hr/>
Total Instruction	1,034,978	412,192	622,786
	<hr/>	<hr/>	<hr/>
Support Services:			
Salaries of Other Professional Staff	83,665	83,665	-
Personal Services - Employee Benefits	229,979	226,754	3,225
Rentals	14,400	23,606	(9,206)
	<hr/>	<hr/>	<hr/>
Total Support Services	328,044	334,025	(5,981)
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 1,363,022</u>	<u>\$ 746,217</u>	<u>\$ 616,805</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2018-2019 Preschool Education Aid Allocation	\$ 693,900
Add: Actual Preschool Education Aid Carryover (June 30, 2018)	<u>669,122</u>
Total Preschool Education Aid Funds Available for 2018-2019 Budget	1,363,022
Less: 2018-2019 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(1,363,022)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2018	-
Add: June 30, 2019 Unexpended Preschool Education Aid Funds	<u>616,805</u>
2018-2019 Carryover - Preschool Education Aid Funds	<u>\$ 616,805</u>
2018-2019 Preschool Education Aid Funds Carryover Budgeted in 2019-2020	<u>\$ 615,000</u>

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F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

Not Applicable
See B-4 Through B-6

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

ASSETS	PRIVATE PUPOSE		AGENCY		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL FUND	
Cash & Cash Equivalents	\$ 119,087	\$ 196,286	\$ 135,182	\$ 132,075	\$ 582,630
Interfund Receivable	15,393	-	-	-	15,393
Total Assets	134,480	196,286	135,182	132,075	598,023
LIABILITIES					
Due to Student Groups	-	-	119,789	-	119,789
Due to Employees	-	-	-	16,209	16,209
Payroll Deductions & Withholdings	-	-	-	27,707	27,707
Interfund Payable	-	-	15,393	88,159	103,552
Total Liabilities	-	-	135,182	132,075	267,257
NET POSITION					
Restricted for Unemployment Compensation	-	196,286	-	-	196,286
Restricted for Scholarships	134,480	-	-	-	134,480
Total Net Position	\$ 134,480	\$ 196,286	\$ -	\$ -	\$ 330,766

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2019**

ADDITIONS	PRIVATE PUPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Contributions:			
Plan Members	\$ -	\$ 20,973	\$ 20,973
Other	11,451	-	11,451
Total Contributions	11,451	20,973	32,424
Investment Earnings:			
Interest	1,020	2,616	3,636
Net Investment Earnings	1,020	2,616	3,636
Total Additions	12,471	23,589	36,060
DEDUCTIONS			
Unemployment Claims	-	699	699
Scholarships Awarded	12,092	-	12,092
Total Deductions	12,092	699	12,791
Change in Net Position	379	22,890	23,269
Net Position - Beginning of the Year	134,101	173,396	307,497
Net Position - End of the Year	\$ 134,480	\$ 196,286	\$ 330,766

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019**

ASSETS	BALANCE JULY 1, 2018	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2019
Cash & Cash Equivalents	\$ 138,869	\$ 282,600	\$ 286,287	\$ 135,182
Total Assets	<u>\$ 138,869</u>	<u>\$ 282,600</u>	<u>\$ 286,287</u>	<u>\$ 135,182</u>
LIABILITIES				
Due to Student Groups	\$ 123,781	\$ 271,149	\$ 275,141	\$ 119,789
Due to Scholarship Fund	15,088	11,451	11,146	15,393
Total Liabilities	<u>\$ 138,869</u>	<u>\$ 282,600</u>	<u>\$ 286,287</u>	<u>\$ 135,182</u>

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019**

ASSETS	BALANCE JULY 1, 2018	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2019
Cash & Cash Equivalents	\$ 89,358	\$ 19,039,599	\$ 18,996,882	\$ 132,075
Total Assets	<u>\$ 89,358</u>	<u>\$ 19,039,599</u>	<u>\$ 18,996,882</u>	<u>\$ 132,075</u>
LIABILITIES				
Due to Employees	\$ 18,529	\$ 57,920	\$ 60,240	\$ 16,209
Interfund Payable	-	88,159	-	88,159
Payroll Deductions & Withholdings	70,829	18,893,520	18,936,642	27,707
Total Liabilities	<u>\$ 89,358</u>	<u>\$ 19,039,599</u>	<u>\$ 18,996,882</u>	<u>\$ 132,075</u>

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I. Long-Term Debt

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2019**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2018	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2019
			DATE	AMOUNT					
Bleacher Project at High School	07/14/2011	\$ 750,000	02/01/2020	75,000	3.300%	\$ 380,000	\$ -	\$ 70,000	\$ 310,000
			02/01/2021	75,000	3.300%				
			02/01/2022	80,000	3.300%				
			02/01/2023	80,000	3.300%				
Refunding Bond Issue 2012	05/01/2012	5,465,000	05/01/2020	575,000	4.000%	2,990,000	-	545,000	2,445,000
			05/01/2021	595,000	4.000%				
			05/01/2022	625,000	4.000%				
			05/01/2023	650,000	4.000%				
Total						\$ 3,370,000	\$ -	\$ 615,000	\$ 2,755,000

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2019**

	JUNE 30, 2019				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 747,140	-	\$ 747,140	\$ 747,140	\$ -
Total Revenues	747,140	-	747,140	747,140	-
Expenditures:					
Regular Debt Service:					
Redemption of Principal	615,000	-	615,000	615,000	-
Interest on Bonds	132,140	-	132,140	132,140	-
Total Regular Debt Service	747,140	-	747,140	747,140	-
Excess/(Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1,	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF COMPENSATED ABSENCES
JUNE 30, 2019**

	BALANCE JUNE 30, 2018	INCREASED	BALANCE JUNE 30, 2019
Compensated Absences	438,974	11,867	450,841

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STATISTICAL SECTION (Unaudited)

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS
 (Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities:										
Net Investment in Capital Assets	\$ 6,033,441	\$ 5,536,815	\$ 4,787,907	\$ 4,556,742	\$ 4,100,520	\$ 3,639,509	\$ 3,158,409	\$ 2,816,383	\$ 2,776,267	\$ 1,935,974
Restricted	1,319,757	1,515,209	1,719,660	1,561,992	1,142,346	736,273	901,353	1,304,952	1,553,705	1,166,309
Unrestricted	(7,035,825)	(7,350,963)	(7,021,657)	(6,724,021)	(6,001,695)	(621,153)	(562,672)	(575,876)	(940,361)	(1,045,406)
Total Governmental Activities Net Position	\$ 317,373	\$ (298,939)	\$ (514,090)	\$ (605,287)	\$ (758,829)	\$ 3,754,629	\$ 3,497,090	\$ 3,545,459	\$ 3,389,611	\$ 2,056,877
Business-Type Activities:										
Net Investment in Capital Assets	\$ 71,353	\$ 66,670	\$ 29,752	\$ 33,346	\$ 39,462	\$ 46,908	\$ 37,953	\$ 48,953	\$ 33,961	\$ 39,904
Unrestricted	167,214	103,458	114,016	157,079	131,361	161,944	167,921	137,194	134,491	106,308
Total Business-Type Activities Net Position	\$ 238,567	\$ 170,128	\$ 143,768	\$ 190,425	\$ 170,823	\$ 208,852	\$ 205,874	\$ 186,147	\$ 168,452	\$ 146,212
Government-Wide:										
Net Investment in Capital Assets	\$ 6,104,794	\$ 5,603,485	\$ 4,817,659	\$ 4,590,088	\$ 4,139,982	\$ 3,686,417	\$ 3,196,362	\$ 2,865,336	\$ 2,810,228	\$ 1,975,878
Restricted	1,319,757	1,515,209	1,719,660	1,561,992	1,142,346	736,273	901,353	1,304,952	1,553,705	1,166,309
Unrestricted	(6,868,611)	(7,247,505)	(6,907,641)	(6,566,942)	(5,870,334)	(459,209)	(394,751)	(438,682)	(805,870)	(939,098)
Total District Net Position	\$ 555,940	\$ (128,811)	\$ (370,322)	\$ (414,862)	\$ (588,006)	\$ 3,963,481	\$ 3,702,964	\$ 3,731,606	\$ 3,558,063	\$ 2,203,089

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 6,325,075	\$ 6,127,563	\$ 5,982,996	\$ 5,996,924	\$ 5,867,204	\$ 5,865,591	\$ 6,003,997	\$ 5,950,519	\$ 6,924,562	\$ 7,167,885
Special Education	3,270,590	3,310,047	3,108,921	3,016,477	2,970,421	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617
Other Special Education	836,308	809,033	780,412	731,983	740,084	759,339	696,434	695,768	662,739	702,155
Other Instruction	41,745	51,603	49,804	57,238	96,864	124,161	181,453	212,669	147,203	214,471
Support Services:										
Tuition	2,203,800	2,130,656	1,766,844	1,868,906	2,068,705	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175
Student & Instruction Related Services	1,804,066	1,671,566	1,653,130	1,555,676	1,541,710	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325
School Administrative Services	1,544,736	1,400,178	1,387,022	1,347,570	1,353,201	1,367,326	1,216,575	1,151,590	364,787	411,669
General & Business Administrative Services	834,045	827,240	747,805	704,236	696,462	694,394	753,134	770,291	885,517	850,567
Administrative Information Technology	-	-	-	-	-	-	-	-	36,167	10,745
Plant Operations & Maintenance	2,007,524	1,906,011	1,732,193	1,750,674	1,836,549	1,720,742	1,652,629	1,470,943	241,985	234,657
Pupil Transportation	488,616	451,482	446,207	468,566	476,761	434,138	464,998	415,270	333,049	331,728
Employee Benefits	10,379,447	15,384,798	12,013,863	9,508,686	8,092,582	5,758,178	5,825,529	4,946,063	1,643,389	1,775,031
Other Support Services	-	-	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	246,512	152,707	121,687	172,779	192,059	340,080	314,769	357,500	274,843	288,052
Reduction of Capital Leases	-	-	-	-	-	(122,141)	-	(22,016)	-	-
Amortization of Debt Issuance Costs	-	-	-	-	-	(22,377)	(15,454)	-	-	-
Transfer to Charter Schools	53,204	-	-	-	-	-	-	-	-	-
Unallocated Compensated Absences	-	-	-	-	-	12,793	2,250	(2,243)	-	-
Unallocated Depreciation	367,749	362,789	336,509	336,932	181,869	64,730	321,453	304,487	738,921	809,470
Fixed Asset Disposals	43,107	-	-	-	-	288,820	8,900	225,790	-	-
Loss on Adjustment to Fixed Asset Appraisal	-	-	-	-	(24,904)	-	117,329	258,483	-	-
Total Governmental Activities Expenses	30,446,524	34,585,673	30,127,393	27,516,647	26,114,471	23,751,458	23,849,779	22,864,865	21,632,095	22,910,026
Business-Type Activities:										
Food Service	584,295	603,857	627,754	543,200	557,431	507,584	492,966	492,882	456,567	454,876
Total Business-Type Activities Expense	584,295	603,857	627,754	543,200	557,431	507,584	492,966	492,882	456,567	454,876
Total District Expenses	\$ 31,030,819	\$ 35,189,530	\$ 30,755,147	\$ 28,059,847	\$ 26,671,902	\$ 24,308,889	\$ 24,357,363	\$ 23,357,831	\$ 22,124,977	\$ 23,366,593
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$ 7,921,219	\$ 9,915,073	\$ 8,907,547	\$ 6,890,195	\$ 5,987,808	\$ 1,552,107	\$ 1,413,420	\$ 1,231,133	\$ 1,570,644	\$ 1,111,328
Total Governmental Activities Program Revenues	7,921,219	9,915,073	8,907,547	6,890,195	5,987,808	1,552,107	1,413,420	1,231,133	1,570,644	1,111,328

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Business-Type Activities:										
Changes for Services:										
Food Service	154,804	157,893	162,946	159,399	157,092	157,312	176,417	189,184	204,711	202,455
Operating Grants & Contributions	497,161	471,749	417,341	402,724	361,723	351,480	327,295	319,159	273,323	265,703
Total Business Type Activities	651,965	629,642	580,287	562,123	518,815	508,792	503,712	508,343	478,034	468,158
Program Revenues	\$ 8,573,184	\$ 10,544,715	\$ 10,495,360	\$ 9,469,670	\$ 6,506,623	\$ 2,060,899	\$ 1,917,132	\$ 1,739,476	\$ 2,048,678	\$ 1,579,486
Total District Program Revenues	\$ 8,573,184	\$ 10,544,715	\$ 10,495,360	\$ 9,469,670	\$ 6,506,623	\$ 2,060,899	\$ 1,917,132	\$ 1,739,476	\$ 2,048,678	\$ 1,579,486
Net (Expense)/Revenue:	\$ (22,525,305)	\$ (24,670,600)	\$ (21,219,846)	\$ (20,626,452)	\$ (20,126,663)	\$ (22,199,351)	\$ (22,436,359)	\$ (21,633,732)	\$ (20,061,451)	\$ (21,798,698)
Governmental Activities	67,670	25,785	(47,467)	18,923	(38,616)	(48,639)	(3,872)	15,377	(14,848)	11,591
Business-Type Activities	(22,592,975)	(24,746,385)	(21,267,313)	(20,645,375)	(20,165,279)	(22,247,990)	(22,440,231)	(21,649,109)	(20,076,299)	(21,810,289)
Total Government-Wide Net Expense	\$ (22,457,635)	\$ (24,644,815)	\$ (21,267,313)	\$ (20,607,529)	\$ (20,165,279)	\$ (22,247,990)	\$ (22,440,231)	\$ (21,618,355)	\$ (20,076,299)	\$ (21,787,107)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property Taxes, Levied for General Purposes, Net	\$ 8,194,215	\$ 7,979,144	\$ 7,747,495	\$ 7,595,583	\$ 7,321,322	\$ 6,954,492	\$ 6,757,223	\$ 6,624,728	\$ 6,494,831	\$ 6,542,351
Taxes Levied for Debt Service	747,140	745,200	742,645	739,826	753,298	782,957	802,679	710,279	713,831	647,465
Federal & State Aid Not Restricted	11,890,734	14,350,246	11,016,740	10,873,114	11,034,555	12,783,182	12,809,002	12,438,046	12,054,194	11,646,039
Transportation Fees from Other LEA's	-	-	-	-	-	-	28,180	43,095	43,318	49,696
Tuition Received	1,702,818	1,647,888	1,338,074	1,326,805	1,544,817	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230
Investment Earnings	-	-	-	-	-	-	-	-	19,474	38,456
Miscellaneous Income	606,710	240,372	366,089	244,666	277,080	226,738	195,941	221,597	259,795	233,981
Transfers In	-	(77,099)	100,000	-	-	-	-	-	-	-
Contracts Payable Cancelled	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	23,141,617	24,885,751	21,311,043	20,779,994	20,931,072	22,524,955	22,387,990	21,789,580	21,394,185	20,857,218
Business-Type Activities:										
Miscellaneous Income	769	575	810	679	587	1,770	8,981	2,234	-	-
Investment Earnings	-	-	-	-	-	-	-	-	773	1,064
Total Business-Type Activities	769	575	810	679	587	1,770	8,981	2,234	773	1,064
Total Government-Wide	\$ 23,142,386	\$ 24,886,326	\$ 21,311,853	\$ 20,780,673	\$ 20,931,659	\$ 22,526,725	\$ 22,396,971	\$ 21,791,814	\$ 21,394,958	\$ 20,858,282
Change in Net Position:										
Governmental Activities	\$ 616,312	\$ 215,151	\$ 91,197	\$ 153,542	\$ 804,409	\$ 325,604	\$ (48,369)	\$ 155,848	\$ 1,332,734	\$ (941,480)
Business-Type Activities	68,439	26,360	19,602	2,978	(38,029)	(46,869)	5,109	17,611	(14,075)	12,655
Total District	\$ 684,751	\$ 241,511	\$ 110,799	\$ 156,520	\$ 766,380	\$ 278,735	\$ (43,260)	\$ 173,459	\$ 1,318,659	\$ (928,825)

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund:										
Restricted	\$ 1,319,757	\$ 1,515,209	\$ 1,099,660	\$ 1,214,836	\$ 1,175,153	\$ 653,967	\$ 748,070	\$ 1,087,016	\$ 1,074,844	\$ 972,701
Committed	-	-	-	-	-	-	-	-	10,595	-
Assigned	411,587	145,000	624,269	379,346	-	63,909	139,202	135,702	460,125	-
Unassigned	(501,755)	(552,039)	(580,378)	(566,389)	(14,513)	-	-	-	(491,896)	(574,257)
Total General Fund	\$ 1,229,589	\$ 1,108,170	\$ 1,143,551	\$ 1,027,793	\$ 1,160,640	\$ 717,876	\$ 887,272	\$ 1,222,718	\$ 1,053,668	\$ 398,444
All Other Governmental Funds										
Unassigned, Reported in:										
Special Revenue Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (37,770)	\$ (29,054)
Committed, Reported in:										
Capital Projects Fund	-	-	-	-	-	-	-	117,575	-	-
Assigned, Reported in:										
Capital Projects Fund	-	-	-	-	-	-	339	6,956	6,955	-
Debt Service Fund	-	-	-	-	2,339	43,891	42,631	1,426	1,186	141,543
Total All Other Governmental Funds	\$ -	\$ -	\$ -	\$ -	\$ 2,339	\$ 43,891	\$ 42,970	\$ 125,957	\$ (29,629)	\$ 112,489

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Tax Levy	\$ 8,941,355	\$ 8,724,344	\$ 8,490,140	\$ 8,335,409	\$ 8,074,620	\$ 7,737,449	\$ 7,559,902	\$ 7,335,007	\$ 7,208,662	\$ 7,189,816
Tuition Charges	1,702,818	1,647,888	1,338,074	1,326,805	1,544,817	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230
Transportation Fees from Other LEA's	-	-	-	-	-	-	28,180	43,095	43,318	49,696
Miscellaneous	606,710	240,372	366,089	244,666	277,080	226,738	195,941	221,597	279,269	272,437
State Sources	16,118,812	14,940,086	14,317,574	13,802,720	13,674,531	13,371,948	13,392,080	12,482,497	12,460,999	10,117,235
Federal Sources	1,105,026	1,101,752	1,009,839	1,029,859	1,000,621	963,341	830,342	1,186,682	1,146,407	2,640,132
Total Revenue	28,474,721	26,654,442	25,521,716	24,739,459	24,571,669	24,077,062	23,801,410	23,020,713	22,947,397	21,968,546
Expenditures:										
Instruction:										
Regular Instruction	6,325,075	6,127,563	5,982,996	5,996,924	5,867,204	5,865,590	6,024,334	5,950,519	6,924,562	7,167,885
Special Education Instruction	3,270,590	3,310,047	3,108,921	3,016,477	2,970,421	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617
Other Special Instruction	836,308	809,033	780,412	731,983	740,084	759,339	696,434	695,768	662,739	702,155
Other Instruction	41,745	51,603	49,804	57,238	96,864	124,161	181,453	212,669	147,203	214,471
Support Services:										
Tuition	2,203,800	2,130,656	1,766,844	1,868,906	2,068,705	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175
Student & Instruction Related	1,804,066	1,671,566	1,653,130	1,555,676	1,541,710	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325
General & Business Administration	834,045	827,240	747,805	704,236	696,462	694,394	753,134	770,291	642,939	657,071
School Administrative Services	1,544,736	1,400,178	1,387,022	1,347,570	1,353,201	1,367,326	1,216,575	1,151,590	885,517	850,567
Plant Operations & Maintenance	1,991,799	1,837,858	1,716,279	1,782,317	1,657,994	1,720,742	1,652,629	1,643,393	1,643,389	1,775,031
Pupil Transportation	488,616	451,482	446,207	468,566	476,761	434,138	464,998	415,270	333,049	331,728
Employee Benefits	7,756,118	6,949,646	6,874,538	6,396,582	5,675,158	5,758,178	5,825,529	4,946,063	4,548,293	4,941,479
Capital Outlay	456,060	300,652	249,355	206,005	182,358	829,083	280,635	777,309	921,118	320,087
Debt Service:										
Principal	615,000	595,000	575,000	560,000	645,000	613,000	570,000	495,000	730,000	545,000
Interest & Other Charges	132,140	150,200	167,645	182,165	198,535	213,998	248,339	255,878	274,843	288,052
Total Expenditures	28,300,098	26,612,724	25,505,958	24,874,645	24,170,457	24,870,537	24,219,843	23,446,077	22,544,292	22,965,643
Excess (Deficiency) of Revenues	174,623	41,718	15,758	(135,186)	401,212	(793,475)	(418,433)	(425,364)	403,105	(997,097)
Over/(Under) Expenditures										

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Other Financing Sources/(Uses):										
Proceeds from Borrowing	-	-	-	-	-	-	-	750,000	-	-
Capital Lease (Nonbudgeted)	(53,204)	(8,230)	-	-	-	625,000	-	-	110,000	-
Contracts Payable Cancelled	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	100,000	-	-	339	6,964	15,393	150,368	139,479
Transfers Out	-	(68,869)	-	-	-	(339)	(6,964)	(15,393)	(150,368)	(139,479)
Total Other Financing Sources/(Uses)	(53,204)	(77,099)	100,000	-	-	625,000	-	750,000	110,000	-
Net Change in Fund Balances	\$ 121,419	\$ (35,381)	\$ 115,758	\$ (135,186)	\$ 401,212	\$ (168,475)	\$ (418,433)	\$ 324,636	\$ 513,105	\$ (997,097)
Debt Service as a Percentage of Noncapital Expenditures	2.8%	2.9%	3.0%	3.1%	3.6%	3.6%	3.5%	3.4%	4.9%	3.8%

Source: District Records

Note: Noncapital expenditures are total expenditures less capital outlay

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,	DELANCO CST	PRIOR YEAR A/P CANCELLED	PRIOR YEAR REFUNDS	INTEREST	FINES	MISCELLANEOUS	TOTAL
2019	\$ 253,356	\$ -	\$ -	\$ 43,081	\$ -	\$ 32,350	\$ 328,787
2018	222,391	102	352	-	860	16,667	240,372
2017	181,824	483	591	12,201	733	170,257	366,089
2016	226,103	-	-	23	-	18,540	244,666
2015	231,352	-	37,725	2,395	524	5,071	277,067
2014	201,210	9,314	8,927	2,357	2,128	2,789	226,725
2013	184,115	-	-	2,185	279	2,280	188,859
2012	189,242	3,260	7,018	3,308	1,842	15,812	220,482
2011	185,131	44,389	14,027	19,129	483	15,765	278,924
2010	221,519	-	9,688	37,619	2,774	-	271,600

Source: District records

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2019	N/A	N/A	N/A	N/A	N/A	N/A	444,043,902	N/A	N/A	436,533,200	2.088	444,043,902
2018	N/A	N/A	N/A	N/A	N/A	N/A	457,365,522	N/A	N/A	432,551,546	2.067	457,365,522
2017	N/A	N/A	N/A	N/A	N/A	N/A	438,314,450	N/A	N/A	433,942,950	1.937	430,125,467
2016	N/A	N/A	N/A	N/A	N/A	N/A	438,314,450	N/A	N/A	438,314,450	1.898	438,314,350
2015	N/A	N/A	N/A	N/A	N/A	N/A	439,090,250	N/A	N/A	439,090,250	1.815	423,780,750
2014	N/A	N/A	N/A	N/A	N/A	N/A	444,648,262	N/A	N/A	444,648,262	1.733	433,814,119
2013	N/A	N/A	N/A	N/A	N/A	N/A	446,303,109	N/A	N/A	446,303,109	1.687	460,260,350
2012	N/A	N/A	N/A	N/A	N/A	N/A	448,022,696	N/A	N/A	448,022,696	1.638	506,734,402
2011	N/A	N/A	N/A	N/A	N/A	N/A	447,840,953	N/A	N/A	447,840,953	1.602	519,819,340
2010	N/A	N/A	N/A	N/A	N/A	N/A	449,856,565	N/A	N/A	449,856,565	1.588	544,202,736

Source: Abstract of Ratables Burlington County, Burlington County Abstract of Ratables

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

- a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
- b. Tax rates are per \$100
- N/A - Not Available

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE ^a	TOTAL DIRECT	TOWNSHIP OF RIVERSIDE	BURLINGTON COUNTY	
2018	2.088	2.088	1.148	0.404	3.640
2017	2.067	2.067	1.128	0.423	3.618
2016	1.937	1.937	1.053	0.395	3.385
2015	1.898	1.898	1.022	0.329	3.249
2014	1.815	1.815	0.981	0.327	3.123
2013	1.687	1.687	0.919	0.350	2.956
2012	1.638	1.638	0.860	0.358	2.856
2011	1.602	1.602	0.812	0.458	2.872
2010	1.588	1.588	0.893	0.472	2.953

Source: Burlington County Board of Taxation

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.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS
 CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2019		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
River Terrace Associates	\$ 3,500,000		0.788%
Remy Investments	2,550,000		0.574%
Riverside Garden Apartments	2,000,000		0.450%
Riverside Norse LLC	1,500,000		0.338%
Watchcase Joint Venture Assoc.	1,545,000		0.348%
Monroe Premier Properties	1,420,000		0.320%
Keymar Inc	1,200,000		0.270%
PSEG	1,131,200		0.255%
Teacher Org at Riverside LLC	1,000,000		0.225%
Verizon	950,000		0.214%
Total	\$ 16,796,200		3.783%

Teicher Org. at Riverside, LLC

2010		
TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

NOT AVAILABLE

Source: Municipal Tax Assessor

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
TOTAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	ment Team Disc	GSA-CX-3.2 LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY ^a		COLLECTIONS IN SUBSEQUENT YEARS
			AMOUNT	PERCENTAGE OF LEVY	
2019		\$ 8,941,355	\$ 8,941,355	100.00%	-
2018		8,724,344	8,724,344	100.00%	-
2017		8,490,140	8,490,140	100.00%	-
2016		8,335,409	8,335,409	100.00%	-
2015		8,074,620	8,074,620	100.00%	-
2014		7,737,449	7,737,449	100.00%	-
2013		7,559,902	7,559,902	100.00%	-
2012		7,335,007	7,335,007	100.00%	-
2011		7,208,662	7,208,662	100.00%	-
2010		7,046,235	7,046,235	100.00%	-

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

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

Source: Municipal Financial Statements

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			CAPITAL LEASES	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION					
2019	\$ 2,755,000	\$ -	\$ -	\$ -	\$ 2,755,000	N/A	N/A
2018	3,370,000	-	-	-	3,370,000	N/A	N/A
2017	3,965,000	-	127,892	127,892	4,092,892	N/A	N/A
2016	4,540,000	-	254,322	254,322	4,794,322	N/A	N/A
2015	5,100,000	-	402,513	402,513	5,502,513	N/A	688.07
2014	5,745,000	-	548,448	548,448	6,293,448	N/A	783.84
2013	6,358,000	-	67,171	67,171	6,425,171	1.55%	799.05
2012	6,928,000	-	87,984	87,984	7,015,984	1.70%	869.07
2011	6,843,000	-	110,000	110,000	6,953,000	1.74%	861.16
2010	7,318,000	265,000	-	-	7,583,000	1.97%	938.03

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

a. See Exhibit J-14 for personal income and population data.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2019	\$ 2,755,000	\$ -	\$ 2,755,000	0.62%	N/A
2018	3,370,000	-	3,370,000	0.74%	N/A
2017	3,965,000	-	3,965,000	0.90%	N/A
2016	4,540,000	-	4,540,000	1.04%	573.16
2015	4,455,000	-	4,455,000	1.02%	557.08
2014	5,100,000	-	5,100,000	1.16%	635.20
2013	6,358,000	-	6,358,000	1.45%	790.70
2012	6,928,000	-	6,928,000	1.56%	858.17
2011	6,843,000	-	6,843,000	1.53%	847.54
2010	7,318,000	-	7,318,000	1.63%	905.24

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2019**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Riverside Township	\$ 6,536,550	100.00%	\$ 6,536,550
Burlington County General Obligation Debt	269,032,501	0.965%	2,596,164
Riverside Sewerage Authority	446,563	100.00%	446,563
Subtotal, Overlapping Debt			9,579,277
Riverside Township District Direct Debt			2,755,000
Total Direct & Overlapping Debt			<u>\$ 12,334,277</u>

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$ 13,160,798	\$ 12,879,156	\$ 12,716,542	\$ 12,701,174	\$ 13,118,496	\$ 13,735,603	\$ 14,076,947	\$ 15,487,413	\$ 21,410,464	\$ 21,504,367
Total Net Debt Applicable to Limit	2,755,000	3,370,000	3,965,000	4,540,000	4,455,000	5,745,000	6,358,000	6,928,000	6,843,000	7,318,000
Legal Debt Margin	\$ 10,405,798	\$ 9,509,156	\$ 8,751,542	\$ 8,161,174	\$ 8,663,496	\$ 7,990,603	\$ 7,718,947	\$ 8,559,413	\$ 14,567,464	\$ 14,186,367
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.93%	26.17%	31.18%	35.74%	33.96%	41.83%	45.17%	44.73%	31.96%	34.03%

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized Valuation Basis	
2018	\$ 448,145,120
2017	438,551,450
2015	429,383,180
	<u>\$ 1,316,079,750</u>
Average Equalized Valuation of Taxable Property	<u>\$ 438,693,250</u>
Debt Limit (3 % of Average Equalization Value), Net Bonded School Debt	\$ 13,160,798
Legal Debt Margin	<u>\$ 10,405,798</u>

Source:
Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation. Limit set by N.J.S.A.18A:24-19 for K through 12 district; other % limits would be applicable for other districts

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2018	7,899	N/A	N/A	3.80%
2017	7,710	N/A	N/A	4.00%
2016	7,921	N/A	N/A	4.50%
2015	7,997	N/A	55,227	5.50%
2014	8,029	N/A	53,747	7.20%
2013	8,041	415,169,520	51,785	7.60%
2012	8,073	413,079,324	51,390	10.10%
2011	8,074	399,478,325	49,955	9.70%
2010	8,084	384,209,364	48,047	10.00%
2009	7,677	363,766,968	47,649	5.40%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 (b) Personal income calculated using population and per capita personal income
 (c) Per Capita personal income provided by the NJ Dept of Labor and Workforce Development
 (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development
 N/A - Information not available.

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

NOT AVAILABLE

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS**

Function/Program	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:								
Regular	95	95	92	92	95	95	94	91
Special Education	49	51	52	54	50	51	36	42
Support Services:								
Student & Instruction Related Services	22	21	21	22	20	20	21	14
General Administrative	2	2	2	2	2	2	2	2
School Administrative Services	13	13	13	13	12	12	14	13
Central Services	3	3	3	3	3	3	3	3
Administrative Information Technology	1	1	1	1	1	1	1	1
Plant Operations & Maintenance	23	23	23	19	21	21	21	21
Pupil Transportation	0	0	-	-	4	-	7	7
Other Support Services	1	1	1	3	-	3	3	8
Total	209	210	208	209	208	208	202	202

Source: District Annual Budget Statement Supporting Documentation

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SENIOR HIGH SCHOOL				
2019	1,378	\$25,467,802	18,482	6.76%	122	13:2	10:5	10:2	1,403.7	1,319.8	0.73%	94.02%
2018	1,395	24,149,046	17,311	6.63%	122	11:6	9:4	10:3	1,393.5	1,314.1	-1.55%	94.30%
2017	1,425	23,134,960	16,235	1.37%	121	13:6	9:5	10:8	1,415.4	1,326.9	0.82%	93.75%
2016	1,409	22,566,779	16,016	3.40%	120	12:8	9:4	10:8	1,403.9	1,317.2	0.76%	93.82%
2015	1,404	21,748,311	15,490	0.55%	122	12:8	9:4	11:3	1,393.3	1,302.6	-5.25%	93.49%
2014	1,460	22,491,432	15,405	1.29%	120	14:6	9:5	11:2	1,470.5	1,348.2	1.78%	91.68%
2013	1,438	21,870,755	15,209	0.75%	129	13:3	9:9	9:5	1,444.8	1,348.2	4.26%	93.31%
2012	1,379	20,817,327	15,096	10.09%	127	12:4	9:2	9:5	1,385.8	1,296.2	-0.27%	93.53%
2011	1,394	19,114,880	13,712	-8.33%	132	12:4	10:0	9:9	1,389.6	1,297.1	1.85%	93.34%
2010	1,374	20,553,788	14,959	7.04%	132	11:1	9:1	10:1	1,364.4	1,274.0	-0.75%	93.37%

Sources: District records

Note: Enrollment based on annual October District count.

- a. Operating expenditures equal total general fund expenditures.
- 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).

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

NOT AVAILABLE

**SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
School Facilities										
Riverside Township School	\$268,893	\$175,700	\$164,572	174,381	128,247	128,378	141,394	155,884	59,085	59,085
Total School Facilities	<u>\$268,893</u>	<u>\$175,700</u>	<u>\$164,572</u>	<u>174,381</u>	<u>128,247</u>	<u>128,378</u>	<u>141,394</u>	<u>155,884</u>	<u>59,085</u>	<u>59,085</u>

Source: District Records

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2019**

Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF)	COVERAGE	RETENTION	DEDUCTIBLE
I. Property, Inland Marine & Automobile Physical Damages:			
A. Limit of Liability Per Occurrence	\$ 175,000,000	\$ 250,000	\$ 500
Perils Included "All Risk"			
B. Property Valuation:			
1. Buildings & Contents	Replacement Cost		
2. Contractors Equipment	Actual Cash Value		
3. Automobiles	Actual Cash Value		
II. Boiler & Machinery	125,000,000	None	1,000
III. Crime	500,000	250,000	500
IV. General & Automobile Liability	20,000,000	250,000	None
V. Workers' Compensation	Statutory	250,000	None
VI. Educator's Legal Liability	20,000,000	175,000	None
Excess & Reinsurance Carriers Involved:			
Property & Crime:			
SPELLJIF, Selective Ins. Co. of America			
Axis Surplus Insurance Company			
Westchester Surplus Lines Ins. Co			
Alterra Excess & Surplus Ins. Co			
Alliance Global Corporate & Specialty Marine Ins. Co			
RSUI Indemnity Company			
General Liability & Automobile Liability:			
SPELLJIF, Selective Ins. Co. of America			
Workers' Compensation:			
SPELLJIF, Selective Ins. Co. of America			
Educators' Legal Liability:			
SPELLJIF, Selective Ins. Co. of America			
Group Purchase of Primary Insurance Coverage Carrier Array:			
Travelers Insurance Company:			
Boiler & Machinery			
ACE American Insurance Company:			
Pollution Legal Liability			
VII. Pollution Legal Liability	3,000,000	None	25,000 - 100,000
VIII. Cyber Liability	1,000,000	None	25,000
IX. Violent Malicious Acts	1,000,000	None	15,000
X. Disaster Management Services	2,000,000	None	15,000

Source: District records

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SINGLE AUDIT SECTION

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EXHIBIT K-1

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Riverside Township Public School District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Riverside Township Public School District's basic financial statements, and have issued our report thereon dated December 2, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Riverside Township Public School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Riverside Township Public 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
December 2, 2019



EXHIBIT K-2

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

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

Report on Compliance for Each Major Federal and State Program

We have audited the Riverside Township Public School District’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal and state programs for the fiscal year ended June 30, 2019. The Riverside Township Public 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

Our responsibility is to express an opinion on compliance for each of the Riverside Township Public School District’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB’s Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal 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 we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of the Riverside Township Public School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we 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 New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
December 2, 2019

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	UNEARNED REVENUE	JUNE 30, 2019 (ACCOUNTS RECEIVABLE)
U.S. Department of Agriculture											
Passed Through New Jersey Department of Agriculture:											
Child Nutrition Cluster:											
Food Distribution Program (Noncash Assistance)	10.555	19INJ304N1099	Unavailable	\$ 41,455	7/1/18-6/30/19	\$ -	\$ 41,455	\$ (38,957)	\$ -	\$ 2,498	\$ -
Food Distribution Program (Noncash Assistance)	10.555	18INJ304N1099	Unavailable	39,928	7/1/17-6/30/18	2,592	-	(2,592)	-	-	-
Healthy Hunger-Free Kids Act	10.555	19INJ304N1099	100-010-3350-026	7,710	7/1/18-6/30/19	-	7,276	(7,710)	-	-	(434)
Healthy Hunger-Free Kids Act	10.555	18INJ304N1099	100-010-3350-026	7,593	7/1/17-6/30/18	(464)	-	-	-	-	-
National School Lunch Program	10.555	19INJ304N1099	100-010-3350-026	335,987	7/1/18-6/30/19	-	316,606	(335,987)	-	-	(19,381)
National School Lunch Program	10.555	18INJ304N1099	100-010-3350-026	317,256	7/1/17-6/30/18	(19,778)	19,778	-	-	-	-
Subtotal						(17,650)	385,579	(385,246)	-	2,498	(19,815)
School Breakfast Program	10.553	19INJ304N1099	100-010-3350-028	102,455	7/1/18-6/30/19	-	96,412	(102,455)	-	-	(6,043)
School Breakfast Program	10.553	18INJ304N1099	100-010-3350-028	98,526	7/1/17-6/30/18	(6,142)	6,142	-	-	-	-
Subtotal						(6,142)	102,554	(102,455)	-	-	(6,043)
Special Milk Program	10.556	19INJ304N1099	100-010-3350-027	110	7/1/18-6/30/19	-	100	(110)	-	-	(10)
Special Milk Program	10.556	18INJ304N1099	100-010-3350-027	248	7/1/17-6/30/18	(16)	16	-	-	-	-
Subtotal						(16)	116	(110)	-	-	(10)
Total Child Nutrition Cluster						(23,808)	488,249	(487,811)	-	2,498	(25,868)
Total U.S. Department of Agriculture						(23,808)	488,249	(487,811)	-	2,498	(25,868)
U.S. Department of Health and Human Services											
Passed Through New Jersey Department of Human Services:											
Medical Assistance Program (SEMI)	93.778	1905NDMAP	100-054-7540-211	44,010	7/1/18-6/30/19	-	44,010	(44,010)	-	-	-
Total U.S. Department of Health and Human Services						-	44,010	(44,010)	-	-	-
U.S. Department of Education											
Passed Through New Jersey Department of Education:											
No Child Left Behind (N.C.L.B.):											
Title I- Part A	84.010	S010A180030	100-034-5064-194	591,109	7/1/18-6/30/19	-	405,220	(591,109)	-	-	(185,889)
Title I- Part A	84.010	S010A170030	100-034-5064-194	566,288	7/1/17-6/30/18	(175,838)	175,838	-	-	-	-
Title I- SIA Part A	84.010	S010A170030	100-034-5064-194	52,694	7/1/18-6/30/19	-	52,694	(52,694)	-	-	-
Subtotal						(175,838)	633,752	(643,803)	-	-	(185,889)
Title II A- Part A	84.367	S367A180029	100-034-5063-290	15,000	7/1/18-6/30/19	-	10,304	(15,000)	-	-	(4,696)
Title II A- Part A	84.367	S367A170029	100-034-5063-290	18,369	7/1/17-6/30/18	(8,717)	8,717	-	-	-	-
Subtotal						(8,717)	19,021	(15,000)	-	-	(4,696)
Title III - English Language Acquisition	84.365	S365A180009	100-034-5064-187	27,922	7/1/18-6/30/19	-	20,701	(27,921)	0	-	(7,220)
Title III - English Language Acquisition	84.365	S365A170009	100-034-5064-187	27,573	7/1/17-6/30/18	(6,910)	6,910	-	-	-	-
Title III - Immigrant	84.365	S365A180009	100-034-5064-187	6,648	7/1/18-6/30/19	-	6,648	(6,648)	-	-	-
Subtotal						(6,910)	34,259	(34,569)	-	-	(7,220)
I.D.E.A. Part B (Special Education Cluster)											
Basic	84.027	H027A180100	100-034-5065-016	357,578	7/1/18-6/30/19	-	326,458	(357,578)	-	-	(31,120)
Basic	84.027	H027A170100	100-034-5065-016	355,985	7/1/17-6/30/18	(49,205)	49,205	-	-	-	-
Subtotal						(49,205)	375,663	(357,578)	-	-	(31,120)
Preschool	84.173	H173A180114	100-034-5065-020	10,066	7/1/18-6/30/19	-	10,066	(10,066)	-	-	-
Preschool	84.173	H173A170114	100-034-5065-020	9,749	7/1/17-6/30/18	(799)	799	-	-	-	-
Subtotal						(799)	10,865	(10,066)	-	-	-
Total Special Education Cluster						(50,004)	386,528	(367,644)	-	-	(31,120)
Total U.S. Department of Education						(241,469)	1,073,560	(1,061,016)	-	-	(28,925)
Total Expenditures of Federal Awards						(265,277)	1,605,819	(1,592,837)	\$ -	\$ 2,498	(254,793)

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2019

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CASH RECEIVED	BUDGETARY EXPENDITURES	SUB RECIPIENT EXPENDITURES	(ACCOUNTS RECEIVABLE) JUNE 30, 2019	UNEARNED REVENUE JUNE 30, 2019	BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
General Fund:											
State Aid Public:											
Equalization Aid	495-034-5120-078	\$ 10,277,763	7/1/18-6/30/19	\$ -	\$ 10,277,763	\$ (10,277,763)	\$ -	\$ -	\$ -	\$ 946,565	\$ 10,277,763
Special Education Categorical Aid	495-034-5120-089	827,038	7/1/18-6/30/19	-	827,038	(827,038)	-	-	-	76,169	827,038
Security Aid	495-034-5120-084	439,613	7/1/18-6/30/19	-	439,613	(439,613)	-	-	-	40,487	439,613
Total State Aid Public					11,544,414	(11,544,414)	-	-	-	1,063,221	11,544,414
Transportation Aid	495-034-5120-014	187,558	7/1/18-6/30/19	-	187,558	(187,558)	-	-	-	17,274	187,558
Extraordinary Aid - Current Year	495-034-5120-044	138,837	7/1/18-6/30/19	-	-	(138,837)	-	(138,837)	-	-	138,837
Extraordinary Aid - Prior Year	495-034-5120-044	83,129	7/1/17-6/30/18	(83,129)	-	-	-	-	-	-	-
Reimbursed TPAF Social Security	495-034-5094-003	757,254	7/1/18-6/30/19	-	719,533	(757,254)	-	(37,721)	-	-	757,254
Reimbursed TPAF Social Security	495-034-5094-003	743,833	7/1/17-6/30/18	(37,015)	37,015	-	-	-	-	-	-
Noncash Assistance:											
On Behalf TPAF Pension Contribution	495-034-5094-002	1,903,565	7/1/18-6/30/19	-	1,903,565	(1,903,565)	-	-	-	-	1,903,565
On Behalf TPAF Medical Contribution	495-034-5094-001	863,454	7/1/18-6/30/19	-	863,454	(863,454)	-	-	-	-	863,454
On Behalf TPAF Long Term Disability Insurance Contribution	495-034-5094-004	1,598	7/1/18-6/30/19	-	1,598	(1,598)	-	-	-	-	1,598
Total General Fund Assistance				(120,144)	15,340,266	(15,396,680)	-	(176,558)	-	1,080,495	15,396,680
Special Revenue Fund:											
Preschool Education Aid	100-034-5120-086	693,900	7/1/18-6/30/19	472,748	688,313	(746,217)	-	-	414,844	65,110	746,217
Total Special Revenue Fund Assistance				472,748	688,313	(746,217)	-	-	414,844	65,110	746,217
Enterprise Fund:											
National School Lunch Program	100-010-3350-023	6,923	7/1/18-6/30/19	-	6,532	(6,923)	-	(391)	-	-	6,923
(State Share)											
National School Lunch Program	100-010-3350-023	6,507	7/1/17-6/30/18	(417)	417	-	-	-	-	-	-
(State Share)											
Total Enterprise Fund Assistance				(417)	6,949	(6,923)	-	(391)	-	-	6,923
Total State Financial Assistance				\$ 352,187	\$ 16,035,528	\$ (16,149,820)	\$ -	\$ (176,949)	\$ 414,844	\$ 1,145,605	\$ 16,149,820

State Financial Assistance Programs not subject to Calculation for Major Program Determination:

On Behalf TPAF Pension Contribution	1,903,565
On Behalf TPAF Medical Contribution	863,454
On Behalf TPAF Long Term Disability Insurance Contribution	1,598
Total State Financial Assistance subject to Calculation for Major Program Determination	\$ (13,381,203)

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Riverside Township Public School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *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 did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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

Note 3. Relationship to Basic Financial Statements

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Note 3. Relationship to Basic Financial Statements (continued):

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund 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 state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(24,085) for the general fund and \$0 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 44,010	\$ 15,372,595	\$ 15,416,605
Special Revenue Fund	1,061,016	746,217	1,807,233
Food Service Fund	487,811	6,923	494,734
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,592,837</u>	<u>\$ 16,125,735</u>	<u>\$ 17,718,572</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Riverside Township Public School District had no loan balances outstanding at June 30, 2019.

**RIVERSIDE TOWNSHIP PUBLIC 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 weakness(es) identified? yes X no

2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

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

2) Significant deficiency(ies) identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A180100</u>	<u>IDEA Cluster:</u>
<u>84.173</u>	<u>H173A180114</u>	<u>IDEA Part B Basic</u>
<u> </u>	<u> </u>	<u>IDEA Part B Preschool</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee? X yes no

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Section II – Financial Statement Findings

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

None.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Section III – Federal Awards & State Financial Assistance Findings & 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.