

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
WILLINGBORO TOWNSHIP SCHOOL DISTRICT
BOARD OF EDUCATION
BURLINGTON COUNTY, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Prepared by
Willingboro Township School District
Finance Department

OUTLINE OF CAFR

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INTRODUCTORY SECTION

WILLINGBORO PUBLIC SCHOOLS

WILLINGBORO, NEW JERSEY 08046-2847



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

COUNTRY CLUB ADMINISTRATION BUILDING
440 BEVERLY-RANOCAS ROAD
TELEPHONE (609) 835-8600 EXT. 1019
FAX: (609) 977-1408

December 3, 2019

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

Dear Board Members:

The comprehensive annual financial report of the Willingboro Township School District for the fiscal year ended June 30, 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 administration of the Board of Education. To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and the results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes the transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules and the auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformance with the provisions of 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 Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education programs. The District completed the 2018-2019 fiscal year with an average daily enrollment of 3346, which is 138 students less than the previous year's average enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Willingboro Public Schools – Where Excellence Is The Expectation

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2018-2019	3346	-3.96%
2017-2018	3484	-5.07%
2016-2017	3670	0.16%
2015-2016	3664	-0.02%
2014-15	3739	2.79%
2013-14	3605	-7.22%
2012-13	4104	-7.53%

2) MAJOR INITIATIVES:

- The School District made a substantial investment in replacing the HVAC System at the Willingboro High School and restoring the Facility Ground Shed. The School District was the recipient of a \$1,450,000 grant from the Burlington County Freeholders to renovate and enhance the security structure at Willingboro High School. The project was underway at the close of the 2018-2019 SY and is scheduled for completion during the 2019-2020 SY. Lastly, the District opened the new Alternative School.

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

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

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

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

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

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

6) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District meets its responsibility for financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund. Revenues for the fiscal year ended June 30, 2019 and the amount and percentage of increases (decreases) in relation to prior year revenues.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2019 and the amount and percentage of increases (decreases) in relation to prior year amounts:

<u>Revenues</u>	<u>2018-2019</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2018</u>	<u>Percentage Increase (Decrease)</u>
Local Sources	33,515,314	37.62%	1,197,389	3.57%
State Sources	52,533,105	58.96%	3,353,869	6.38%
Federal Sources	3,032,402	3.40%	600,618	19.81%
Total Revenue	<u>89,080,821</u>	<u>100.00%</u>	<u>5,151,876</u>	<u>5.78%</u>

<u>Expenditures</u>	<u>2018-2019 Actual</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2018</u>	<u>Percentage Increase (Decrease)</u>
Operating	79,899,750	95.67%	812,022	1.02%
Capital Outlay	1,764,962	2.11%	1,085,242	64.49%
Special Schools	0	0.00%	0	0%
Debt Services	1,848,807	2.21%	(9,125)	0.49%
Total Expenditures	<u>83,513,519</u>	<u>100.00%</u>	<u>1,888,139</u>	<u>2.26%</u>

7) **DEBT ADMINISTRATION:** At June 30, 2019, the District's outstanding debt issues included \$20,210,000 general obligation bonds.

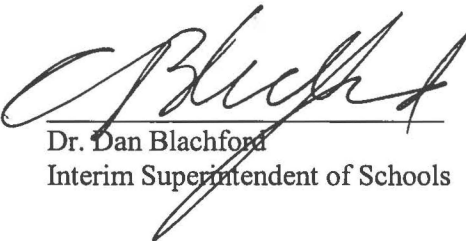
8) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note #2. The District has adopted an investment policy, which requires it to deposit public funds in public depositories protected from loss under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

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

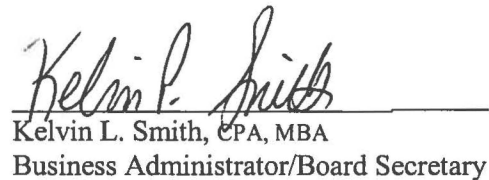
10) **INDEPENDENT AUDIT:** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board approved the accounting firm of Brent Lee & Co. LLC during the meeting of March 25, 2019. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and New Jersey OMB 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 and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

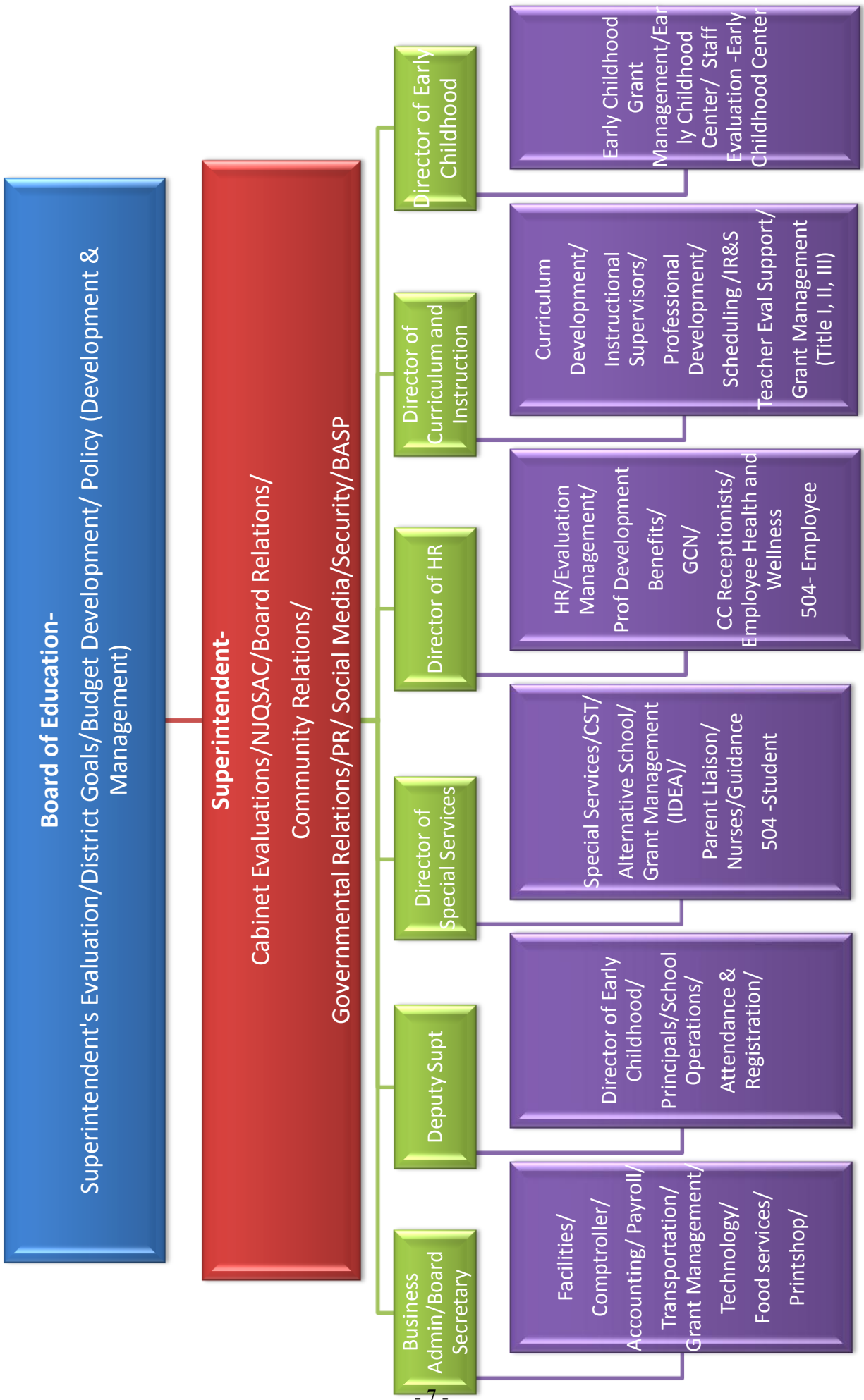


Dr. Dan Blachford
Interim Superintendent of Schools



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

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WILLINGBORO BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2019

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Dennis Tunstall, President	2019
Grover Mckenzie, Vice President	2019
Tonya Brown	2020
Kimbrali Davis	2019
Gary Johnson	2020
Debra Williams	2020
Laurie Gibson-Parker	2022
Alexis Harkley	2022
Carlos Worthy	2022

OTHER OFFICIALS

Dr. Ronald G. Taylor, Superintendent of Schools

Kelvin Smith, Business Administrator/Board Secretary

Dr. Dale Talbert, Assistant Superintendent

Dr. Melody Alegria, Director of Special Services

WILLINGBORO BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

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

ATTORNEYS

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

OFFICIAL DEPOSITORIES

TD Bank
336 Route 70 East
Marlton, New Jersey 08053

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FINANCIAL SECTION



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

Independent Auditor's Report

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

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Willingboro Township Board of Education, in the County of Burlington, State of New Jersey, as of June 30, 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 Supplemental Information

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

Other Information

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

The combining and individual nonmajor fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the

auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standard generally accepted in the United States of America. In my opinion, the combining and individual nonmajor the procedures performed as described above, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated December 3, 2019 on my consideration of the Willingboro Township School District Board of Education's internal control structure over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,



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

Cinnaminson, New Jersey
December 3, 2019

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WILLINGBORO TOWNSHIP PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The discussion and analysis of the Willingboro Township Public School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the notes to the basic financial statements and other financial statements to enhance their understanding of the District's financial performance.

Financial Highlights-2019

Net Position totaled \$17,380,540, which represents a \$772,462 decrease from 2017-2018. The decrease is mostly due to an increase in tuition, instructional staff training and plant operations & maintenance expenses.

General Fund revenues accounted for \$81,040,812 in revenue or 90.97% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, accounted for \$6,191,202, 6.95% of the total revenue, the remainder was the debt service in the amount of \$1,848,807 or 2.08% of total revenue in the amount of \$89,080,821.

The District had \$83,513,519 in expenses; special revenue funds accounted for \$6,191,146, capital projects funds \$131,601, debt service \$1,848,807 and permanent funds in the amount of \$1,175. Note: The remaining amount of \$ 75,340,790 is in the General Fund.

Among major funds, the General Fund had \$81,040,812 in revenues and \$75,340,790 in expenditures. The General Fund's fund balance is \$5,917,987.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

This document contains all funds used by the District to provide programs and activities, viewing the District as a whole and reports the culmination of all financial transactions. The report answers the question “How We Did Financially during Fiscal Year 2019.” The Statement of Net Position and the Statement of activities provides the summary. The statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

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

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

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

Reporting the District’s Most Significant Funds

Fund Financial Statement

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

Governmental Funds

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

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

Enterprise Fund

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

The District as a Whole

Table I provides a comparative summary of the District's net position for 2018 and 2019.

Table I – Net Position

The District's combined net position were \$17,380,540 on June 30, 2019. This is a decrease of 4.26% from the previous fiscal year.

Net Position	30-Jun-19	30-Jun-18
Invested in Capital Assets, Net of Debt	\$ 32,551,891	35,326,771
Restricted For: Other Purposes	7,627,991	4,779,636
Unrestricted	(22,799,342)	(21,953,405)
Total Net Position	\$ <u>17,380,540</u>	\$ <u>18,153,002</u>

Government Activities

Property taxes as approved by the voters of the Willingboro Township made up 37.62% of revenues for governmental activities for the fiscal year 2019. The District's total revenues were \$89,080,821 for the year ended June 30, 2019. Federal, state, local grants and miscellaneous account for the other 62.38% of revenue.

Revenue for Fiscal Year 2019

<u>Revenue</u>	<u>FY 2019</u>
Tax Levy	33,515,314
Tuition Charges	508,030
Miscellaneous	453,252
State Services	51,571,823
Federal Sources	3,032,402
	<hr/>
Total	\$89,080,821
	<hr/>

Expenses for Fiscal Year 2019

The total cost of all programs and services was \$83,513,519 Instruction and out of district tuition comprises 26% of the District's expenses.

<u>Expense</u>	<u>FY 2018</u>
Instruction	19,502,046
Out of District Placement	6,199,262
Undistributed Expenditures	54,197,267
Capital Outlay	1,764,962
Debt Service	1,848,807
Scholarships Awarded	1,175
	<hr/>
Total	\$83,513,519
	<hr/> <hr/>

Business-Type Activities

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

Food service expenses exceeded revenues by \$142,487. Charges for services represent 100% of revenue. This represents the amount paid by patrons for daily food service and catering.

Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$1,719,734.

Before and after school program expenses exceeded revenues by \$131,079. Charges for services represent 100% of revenue. This represents the amount paid by patrons for tuition.

Governmental Activities

The Comparative Statement of Activities (Table 3) shows the cost of program services for 2018-2019 compared to 2017-2018.

Table 3 – Comparative Statement of Activities

	<u>2018-2019</u>	<u>2017-2018</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Instruction (Excluding Grants)	19,502,046	19,547,386	(45,340)	-0.23%
Co/Extra Curricular Activities	1,626,900	1,704,901	(78,001)	-4.58%
Special Education Instruction	4,572,362	4,662,438	(90,076)	-1.93%
Attendance, Health, Student & Related Services (Excluding Grants)	7,548,288	7,084,542	463,746	6.55%
Library com	863,095	850,840	12,255	1.44%
Improvement of Instruction Services	690,335	689,211	1,124	0.16%
General and School Administration	2,966,576	3,630,126	(663,550)	-18.28%
Central Services & Adm Info Technology	1,021,596	936,125	85,471	9.13%
Plant Operations and Maintenance	7,986,610	7,446,979	539,631	7.25%
Pupil Transportation	4,358,558	3,792,039	566,519	14.94%
Fringe Benefits	9,668,117	9,751,248	(83,131)	-0.85%
Scholarships	1,175	625	550	88.00%
Capital Outlay	1,764,962	679,720	1,085,242	159.66%
Tuition	9,425,976	9,240,020	185,956	2.01%
Debt Service	1,848,807	1,857,932	(9,125)	-0.49%
Total District Obligations	<u>73,845,403</u>	<u>71,874,132</u>	<u>1,971,271</u>	2.74%
Fringe Obligations of the State	<u>9,668,116</u>	<u>9,751,248</u>	<u>(83,132)</u>	-0.85%
Grand Total	<u>83,513,519</u>	<u>81,625,380</u>	<u>1,888,139</u>	2.26%

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

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

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

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

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

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

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

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

The District's Funds

Information about the District's major funds starts on page 28 these funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$89,080,821.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal years ended June 30, 2019 and June 30, 2018 and the amount of increases and decreases in relation to prior year expenditures.

Instruction decreased by \$45,340 primarily due to decrease in purchase of technology equipment and textbooks purchases.

Co-curricular and extracurricular activities expenses decreased by \$78,001 this decrease was due to benefit of refocusing resources in the area on instruction to enhance student learning in 2018-2019.

Special Education Instruction decreased by \$90,076; as a result of purchasing more funds out of federal sources.

Attendance, health, and student support services increased by \$463,746 due to hiring of additional support staff and increase in purchased professional services.

Library and media services costs only increased by \$12,255 due to more media activity for the district.

Improvement of instructional services increased by \$1,124 due to an increase in materials.

General and school administration decreased by \$663,550 due to organizational leadership and substitute staffing.

Central services and administrative information technology costs increased by \$85,471 because of realignment of staff.

Plant operation and required maintenance costs increased by \$539,631, because of aggressive maintenance and purchase of green products. Re-organization of the school district to accommodate Alternative School and Preschool Expansion Programs.

Pupil transportation cost increased by \$566,519 due to increase transportation of the district's special education students, homeless students, and other types of student population outside of the normal budgeted items.

Fringe benefit costs decreased by \$83,131; this was primarily due to decrease in unemployment compensation expense.

Scholarships awarded increased by \$550.

Capital outlay costs increased by \$1,085,242 due to the replacement/restoration of the Willingboro High School HVAC System and Facilities Ground Shed.

Debt service costs decreased by \$9,125; due to decreasing interest payable on the bond approved in the year 2009-2010.

Tuition increased by \$185,956 due to sending more students out of district for needed services.

Comparative Summary of Revenues

<u>Revenues</u>	<u>2018 - 2019</u>		<u>2017 - 2018</u>		<u>Increase (Decrease) from 2017-18 to 2018-19</u>
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	
Local Sources	\$ 33,515,314	37.6	\$ 32,317,925	38.5	\$ 1,197,389
State Sources	52,533,105	59.0	49,179,236	58.6	3,353,869
Federal Sources	3,032,402	3.4	2,431,784	2.9	600,618
	<u>\$ 89,080,821</u>	<u>100.0</u>	<u>\$ 83,928,945</u>	<u>100.0</u>	<u>\$ 5,151,876</u>

There was an increase in Local Funding of \$1,197,389, due to increase in Tax Levy, interest on investments and miscellaneous sources.

There was an overall increase in funding for State Sources in the amount of \$3,353,869, primarily due to increase in Preschool Funding and tuition revenue.

There was an increase in funding for Federal Sources in the amount of \$600,618.

General Fund Budgeting Highlights

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

During the course of the fiscal year 2019, the district amended its General Fund budget as appropriated. Transfers from one program to another must be approved by the Board of Education.

At the end of the fiscal year 2019, the District had \$115,726,468 invested in land, buildings, furniture and equipment and vehicles. Table 4 shows fiscal 2019 balances compared to 2018.

Table 4 - Capital Assets at June 30

Land/Sites	\$ 1,430,025	\$ 1,508,465
Buildings and Improvements	103,913,305	105,501,763
Machinery and Equipment	10,383,138	9,623,999
Totals	<u>\$ 115,726,468</u>	<u>\$ 116,634,227</u>

Overall capital assets decreased by \$907,759 from fiscal year 2018 to fiscal year 2019 to primarily due to sale of land and site improvements.

For the Future

The Willingboro Board of Education continues to emphasize the improvement of instruction and student achievement. Programs implemented during the past five years were supported in the 2018-2019

Budgets with emphasis of improving test scores. The Board will continue to support funding to improve the centralized student enrollment center; the summer curriculum development program; improved delivery of services in Math and Language Arts; and special education classes at the elementary level.

Contacting the School District's Financial Management

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

BASIC FINANCIAL STATEMENTS

A. District – Wide Financial Statements

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2019

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$7,319,171	634,601	7,953,772
Receivables, Net	3,959,230	404,921	4,364,151
Inventory		1,706	1,706
Restricted Assets:			
Cash & Cash Equivalents	46,492		46,492
Capital Assets, Net (Note 4)	53,807,655	172,412	53,980,067
 Total Assets	 65,132,548	 1,213,640	 66,346,188
 DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	5,211,047	52,637	5,263,684
Total Deferred Outflows of Resources	5,211,047	52,637	5,263,684
 LIABILITIES			
Accounts Payable	3,171,649	579,639	3,751,288
Accrued Interest	301,336		301,336
Other Liabilities	665,998		665,998
Unearned Revenue	1,147,665	7,835	1,155,500
Net Pension Liability	17,995,952	181,777	18,177,729
Noncurrent Liabilities (Note 5):			
Due Within One Year	1,333,772		1,333,772
Due Beyond One Year	21,843,828		21,843,828
 Total Liabilities	 46,460,200	 769,251	 47,229,451
 DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	6,929,882	69,999	6,999,881
Total Deferred Inflows of Resources	6,929,882	69,999	6,999,881
 NET POSITION			
Invested in Capital Assets, Net of Related Debt	32,379,479	172,412	32,551,891
Restricted For:			
Other Purposes	7,627,991		7,627,991
Unrestricted	(23,053,957)	254,615	(22,799,342)
 Total Net Position	 \$16,953,513	 427,027	 17,380,540

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	BUSINESS-TYPE GOVERNMENTAL ACTIVITIES
Total Governmental Activities	91,179,902		14,265,509	(76,914,393)
Business-Type Activities:				
Food Service	2,274,361	412,140	1,719,734	(142,487)
Day Care Program	732,106	601,027		(131,079)
Total Business-Type Activities	3,006,467	1,013,167	1,719,734	(273,566)
Total Primary Government	\$94,186,369	1,013,167	15,985,243	(77,187,959)
General Revenues:				
Taxes:				
Property Taxes, Levied for General Purposes, Net			31,666,507	31,666,507
Taxes Levied for Debt Service			1,848,807	1,848,807
Federal & State Aid Not Restricted			40,349,118	40,349,118
Tuition Received			508,030	508,030
Miscellaneous Income			513,233	513,233
Transfer in			766,112	766,112
Decrease in Other Liability			675,000	675,000
Decrease in Pension Liability			88,690	88,690
Total General Revenues, Special Items, Extraordinary Items & Transfers			76,415,497	76,415,497
Change In Net Position			(498,896)	(772,462)
Net Position - Beginning			17,452,409	18,153,002
Net Position - Ending			\$16,953,513	17,380,540

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

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B. Fund Financial Statements

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2019**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	TOTAL
Assets:						
Cash & Cash Equivalents	\$7,280,852		46,492	3	38,316	7,365,663
Due From Other Funds	916,767		336,783			1,253,550
Receivables From Other Governments	1,186,392	1,968,140				3,154,532
Other Receivables	393,427					393,427
Total Assets	\$9,777,438	1,968,140	383,275	3	38,316	12,167,172
Liabilities & Fund Balances:						
Liabilities:						
Accounts Payable	2,849,362	322,287				3,171,649
Payable to Other Governments		61,381				61,381
Other Liabilities	604,617					604,617
Interfund Payable	405,472	436,807				842,279
Unearned Revenue		1,147,665				1,147,665
Total Liabilities	3,859,451	1,968,140				5,827,591
Fund Balances:						
Restricted For:						
Excess Surplus	3,133,889					3,133,889
Excess Surplus Designated for Subsequent Year's Expenditures	2,341,903					2,341,903
Additional Excess Surplus Designated for Subsequent Year's Expenditures	751,836					751,836
Capital Reserve	978,769					978,769
Debt Service Fund				3		3
Capital Projects Fund			318,755			318,755
Special Revenue Fund						
Permanent Fund					38,316	38,316
Committed to:						
Other Purposes			64,520			64,520
Assigned to:						
Designated for Subsequent Year's Expenditures						
Unassigned:						
General Fund	(1,288,410)					(1,288,410)
Total Fund Balances	5,917,987		383,275	3	38,316	6,339,581
Total Liabilities & Fund Balances	\$9,777,438	1,968,140	383,275	3	38,316	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$114,733,158 and the accumulated depreciation is \$60,925,503.	53,807,655
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements.	5,211,047
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements.	(6,929,882)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds	(17,995,952)
Accrued Interest is not recorded in the fund statements	(301,336)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Illustrative Note 5)	<u>(23,177,600)</u>
Net Position of Governmental Activities	<u>\$16,953,513</u>

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	TOTAL
Revenues:						
Local Tax Levy	\$31,666,507			1,848,807		33,515,314
Tuition Charges	508,030					508,030
Miscellaneous	442,794	10,402			56	453,252
State Sources	48,256,621	3,315,202				51,571,823
Federal Sources	166,860	2,865,542				3,032,402
Total Revenues	81,040,812	6,191,146		1,848,807	56	89,080,821
Expenditures:						
Current:						
Regular Instruction	15,972,974	3,529,072				19,502,046
Special Education Instruction	4,572,362					4,572,362
Other Instruction	1,626,900					1,626,900
Support Services & Undistributed Costs:						
Tuition	9,425,976					9,425,976
Attendance & Social Work Services	419,316					419,316
Health Services	635,730					635,730
Student & Instruction Related Services	4,145,748	2,347,494				6,493,242
Educational Media Services/School Library	690,335					690,335
Instructional Staff Training	863,095					863,095
General Administrative Services	1,028,749					1,028,749
Other Administrative Services	1,937,827					1,937,827
Central Services	1,021,596					1,021,596
Plant Operations & Maintenance	7,986,610					7,986,610
Pupil Transportation	4,358,558					4,358,558
Unallocated Benefits	19,336,233					19,336,233
Scholarships Awarded					1,175	1,175
Debt Service:						
Principal				1,000,000		1,000,000
Interest				848,807		848,807
Capital Outlay	1,318,781	314,580	131,601			1,764,962
Total Expenditures	75,340,790	6,191,146	131,601	1,848,807	1,175	83,513,519
Excess/(Deficiency) of Revenues						
Over/(Under) Expenditures	5,700,022		(131,601)		(1,119)	5,567,302
Other Financing Sources/(Uses):						
Transfer in	315,756		450,356			766,112
Cancellation of Prior Year Liability	70,383					70,383
Loan Proceeds	1,410,000					1,410,000
Transfer to Charter School	(5,572,783)					(5,572,783)
Total Other Financing Sources	(3,776,644)		450,356			(3,326,288)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other						
Financing Sources	1,923,378		318,755		(1,119)	2,241,014
Fund Balance - July 1	3,994,609		64,520	3	39,435	4,098,567
Fund Balance - June 30	\$5,917,987		383,275	3	38,316	6,339,581

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

Total Net Change in Fund Balances - Governmental Funds (From B-2)		\$2,241,014
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital Lease Adjustment		(79,894)
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	(2,032,707)	
Capital Outlays	(959,389)	(2,992,096)
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.		
		1,000,000
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
Proceeds of long-term debt		(1,410,000)
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		45,609
Accrued interest is not recorded in the governmental funds, but is expensed in the statement of net position.		
Current Year	(301,336)	
Prior Year	285,004	(16,332)
Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including services and interest costs, administrative costs, investment returns, and experience/assumptions. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.		
		88,690
Repayment of Compensated Absences is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position, and is not reported in the statement of activities.		
		(50,887)
Repayment of Other Liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position, and is not reported in the statement of activities.		
		675,000
Change in Net Position of Governmental Activities		(\$498,896)

See accompanying notes to the financial statements.

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Proprietary Funds

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2019**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Current Assets:			
Cash & Cash Equivalents	\$11,700	622,901	634,601
Interfund Accounts Receivable	68,689		68,689
Due from Other Governments	310,385		310,385
Other Accounts Receivable	2,404	23,443	25,847
Inventories	1,706		1,706
Total Current Assets	394,884	646,344	1,041,228
Noncurrent Assets:			
Furniture, Machinery & Equipment	966,196	27,114	993,310
Less: Accumulated Depreciation	793,784	27,114	820,898
Total Noncurrent Assets	172,412		172,412
Total Assets	567,296	646,344	1,213,640
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows		52,637	52,637
Total Deferred Outflows of Resources		52,637	52,637
LIABILITIES			
Current Liabilities:			
Accounts Payable	210,460	12,339	222,799
Interfund Accounts Payable	178,963	177,877	356,840
Pension Liability		181,777	181,777
Unearned Revenue		7,835	7,835
Total Liabilities	389,423	379,828	769,251
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows		69,999	69,999
Total Deferred Inflows of Resources		69,999	69,999
NET POSITION			
Investment in Capital Assets, Net of Related Debt	172,412		172,412
Unrestricted	5,461	249,154	254,615
Total Net Position	\$177,873	249,154	427,027

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$249,896		249,896
Daily Sales - Nonreimbursable Programs	136,298		136,298
Special Functions	25,946		25,946
Tuition & Fees		601,027	601,027
Total Operating Revenues	412,140	601,027	1,013,167
Operating Expenses:			
Cost of Sales - Reimbursable Programs	635,327		635,327
Cost of Sales - Non-Reimbursable Programs	40,889		40,889
Salaries	857,945	409,329	1,267,274
Management Fee	137,800		137,800
Employee Benefits	110,379	77,745	188,124
Cleaning, Repair & Maintenance Services	3,803		3,803
Travel Services	2,601	1,008	3,609
Purchased Services	30,665	11,575	42,240
Insurance	32,531		32,531
Supplies and Materials	242,997	16,363	259,360
Miscellaneous	17,873	21,086	38,959
Rent	120,756	195,000	315,756
Depreciation	40,795		40,795
Total Operating Expenses	2,274,361	732,106	3,006,467
Operating Income/(Loss)	(1,862,221)	(131,079)	(1,993,300)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	23,309		23,309
Federal Sources:			
National School Lunch Program	1,139,270		1,139,270
National School Snack Program	59,984		59,984
National School Breakfast Program	384,986		384,986
Food Distribution Program	112,185		112,185
Total Nonoperating Revenues/(Expenses)	1,719,734		1,719,734
Income/(Loss) Before Contributions & Transfers	(142,487)	(131,079)	(273,566)
Total Net Position - Beginning	320,360	380,233	700,593
Total Net Position - Ending	\$177,873	249,154	427,027

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2019**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Cash Flows From Operating Activities:			
Receipts from Customers	\$714,123	579,924	1,294,047
Payments to Employees	(857,945)	(409,329)	(1,267,274)
Payments for Employee Benefits	(110,379)	(78,642)	(189,021)
Payments to Suppliers	(1,310,805)	(197,851)	(1,508,656)
Net Cash Provided/(Used) by Operating Activities	<u>(1,565,006)</u>	<u>(105,898)</u>	<u>(1,670,904)</u>
Cash Flows From Noncapital Financing Activities:			
State Sources	23,309		23,309
Federal Sources	1,584,240		1,584,240
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>1,607,549</u>		<u>1,607,549</u>
Cash Flows From Capital & Related Financing Activities:			
Obligations Under Service Agreements	(51,630)		(51,630)
Net Cash Provided/(Used) by Capital & Related Financing Activities	<u>(51,630)</u>		<u>(51,630)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(9,087)	(105,898)	(114,985)
Balances - Beginning of Year	20,787	728,799	749,586
Balances - End of Year	<u>\$11,700</u>	<u>622,901</u>	<u>634,601</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	(\$1,862,221)	(131,079)	(1,993,300)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	40,795	(897)	39,898
Commodities Received	112,185		112,185
Increase/(Decrease) in Unearned Revenue		(6,425)	(6,425)
(Increase)/Decrease in Accounts Receivable, Net	177,412	(14,678)	162,734
(Increase)/Decrease in Inventories	(1,084)		(1,084)
Increase/(Decrease) in Interfund Payable	12,386	47,599	59,985
Increase/(Decrease) in Accounts Payable	(44,479)	(418)	(44,897)
Total Adjustments	<u>297,215</u>	<u>25,181</u>	<u>322,396</u>
Net Cash Provided/(Used) by Operating Activities	<u>(\$1,565,006)</u>	<u>(105,898)</u>	<u>(1,670,904)</u>

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

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Fiduciary Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

ASSETS	PRIVATE PURPOSE		AGENCY		TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	PAYROLL AGENCY FUND	STUDENT ACTIVITY FUND	
Cash & Cash Equivalents	\$338,514	38,316	380,882	132,932	890,644
Interfunds Receivable	14,403				14,403
Total Assets	352,917	38,316	380,882	132,932	905,047
LIABILITIES					
Payable to Student Groups				132,932	132,932
Interfunds Payable			137,523		137,523
Payroll Deductions & Withholdings			243,359		243,359
Total Liabilities			380,882	132,932	513,814
NET POSITION					
Held in Trust for Unemployment Claims & Other Purposes Reserved for Scholarships	352,917	38,316			352,917 38,316
Total Net Position	\$352,917	38,316	-	-	391,233

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

ADDITIONS	PRIVATE PURPOSE			TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	WORKERS COMPENSATION TRUST	
Contributions:				
Other	\$77,842		31,156	108,998
Total Contributions	77,842		31,156	108,998
Investment Earnings:				
Interest	2,364	56	13	2,433
Net Investment Earnings	2,364	56	13	2,433
Total Additions	80,206	56	31,169	111,431
DEDUCTIONS				
Workers Compensation Scholarships Awarded			31,169	31,169
Total Deductions	313,748	1,175	31,169	346,092
Change in Net Position	(233,542)	(1,119)		(234,661)
Net Position - Beginning of the Year	586,459	39,435		625,894
Net Position - End of the Year	\$352,917	38,316		391,233

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

NOTES TO FINANCIAL STATEMENTS

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The Willingboro Township Board of Education is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Willingboro Township Board of Education has an approximate enrollment at June 30, 2019 of 3,344 students.

B. Component Unit

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

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

Based on the aforementioned criteria, the District has no component units.

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

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

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

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

D. Fund Accounting:

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

Governmental Funds

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

As required by the New Jersey Department of Education Willingboro Township Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (GAAP) as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

D. Fund Accounting (continued):

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

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

Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund and Day Care Fund.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

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

D. Fund Accounting (continued):

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

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

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

Fiduciary Fund

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

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

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

E. Basis of Accounting:

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

E. Basis of Accounting (continued):

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

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

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

F. Budgets/Budgetary Control:

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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

F. Budgets/Budgetary Control: (continued):

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

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

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

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

The following presents a reconciliation of the special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual — General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types:

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$81,166,582	\$6,191,146

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

F. Budgets/Budgetary Control: (continued):

	General Fund	Special Revenue Fund
Difference — Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	\$3,791,938	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(3,917,708)</u>	_____
 Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	 <u>\$81,040,812</u>	 <u>\$ 6,191,146</u>
 Uses/Outflows of Resources		
Actual amounts (budgetary basis) “total outflows” from the budgetary comparison schedule	<u>\$75,340,790</u>	<u>\$ 6,191,146</u>
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes	_____	_____
 Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	 <u>\$75,340,790</u>	 <u>\$ 6,191,146</u>

G. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the Willingboro Township Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

G. Encumbrances (continued):

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

H. Cash, Cash Equivalents and Investments:

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

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

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

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

I. Tuition Receivable/Payable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2019, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2016-2017 have been established. According to the School District's records, these amounts are adjustments in the financial statements.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

J. Inventories & Prepaid Expenses

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

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

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2019.

K. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Willingboro Township Board of Education and that are due within one year.

L. Capital Assets:

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

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

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

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2019 for such salaries.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

N. Compensated Absences

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

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

O. Unearned Revenue

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

P. Long-term Obligations

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

Q. Fund Balance Disclosure

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

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2019

Q. Fund Balance Disclosure (continued):

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

R. Net Position

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

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

S. Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

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

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2019

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

Adopted Accounting Pronouncements (continued):

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

Recently Issued Accounting Pronouncements

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

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

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

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

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

Recently Issued Accounting Pronouncements (continued):

Statement 90, *Majority Equity Interests – an amendment of GASB statements 14 and 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. The requirements of this statement are effective for reporting periods beginning after December 15, 2018. Management does not expect this statement to have a material impact on the School District’s financial statements.

Statement 91, *Conduit Debt Obligations*. This statement will provide financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The clarified definition will resolve stakeholders’ uncertainty as to whether a given financing is, in fact, a conduit debt obligation. The requirements of this statement are effective for reporting periods beginning after December 15, 2020. Management does not expect this statement to have a material impact on the School District’s financial statements.

T. Subsequent Events

Willingboro Board of Education has evaluated subsequent events occurring after June 30, 2019 through the date of December 3, 2019, which is the date the financial statements were available to be issued. In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year’s expenditures and is not reserved.

Note 2. Cash and Cash Equivalents and Investments

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2019, and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	<u>\$ 8,890,508</u>
Total Deposits	<u>\$ 8,890,508</u>
Reconciliation of Statements of Net Position:	
Governmental Funds	\$ 7,365,263
Enterprise Funds	634,601
Fiduciary Funds	<u>890,644</u>
Total Cash and Cash Equivalents	<u>\$ 8,890,508</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2019

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

Custodial Credit Risk — Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$11,950,340 at June 30, 2018. Of the bank balance \$500,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$11,450,340 was secured by a collateral pool held by the bank, but not in the District's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk — The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at June 30, 2019 are provided in the above schedule.

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the District or bonds or other obligations of the local unit or units within which the District is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

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

The District has deposited cash in 2019 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

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

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

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

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

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

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

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

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

Note 4. Fixed Assets:

The following schedule is a summarization of the general fixed assets by source for the fiscal year ended June 30, 2019:

	June 30, 2018	Additions/ Adjustments	Deletions	June 30, 2019
Land	\$ 1,508,465		78,440	1,430,025
Building & Improvements	105,501,763	350,214	1,938,672	103,913,305
Machinery & Equipment	8,682,319	707,509		<u>9,389,828</u>
Subtotal	115,692,547	1,057,723	2,017,112	114,733,158
Accumulated Depreciation	<u>(59,201,476)</u>	<u>(3,612,858)</u>	<u>(1,888,831)</u>	<u>(60,925,503)</u>
Total	<u>\$ 56,491,071</u>	<u>(2,555,135)</u>	<u>128,281</u>	<u>53,807,655</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 4. Fixed Assets (continued):

The following schedule is a summarization of the proprietary fund fixed assets recorded at historical cost by source for the fiscal year ended June 30, 2019:

	June 30, 2018	Additions	June 30, 2019
Machinery & Equipment:			
Food Service	\$914,566	51,630	966,196
Day Care	27,114		27,114
			<hr/>
Subtotal	941,680	51,630	993,310
Accumulated Depreciation	(780,103)	(40,795)	(820,898)
			<hr/>
Net Fixed Assets	\$161,577	10,835	\$172,412

Note 5. Long-Term Debt

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

	Balance 6/30/18	Increases	Retired/ Decreases	Balance 6/30/19	Due Within One Year
Compensated					
Absences Payable	\$ 1,047,429	50,886		1,098,315	
Other Liabilities	675,000		70,383	604,617	
Equipment Lease					
Payable		1,410,000	295,936	1,114,064	266,224
Capital Leases					
Payable	116,319	79,894	45,609	150,604	42,548
Bonds Payable	21,210,000		1,000,000	20,210,000	1,025,000
				<hr/>	
Total	\$23,048,748	1,540,780	1,411,928	23,177,600	\$1,333,772

A. Bonds Payable

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 5. Long-Term Debt (continued):

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2020	\$ 1,025,000	\$ 813,806	\$ 1,838,806
2021	1,025,000	777,931	1,802,931
2022	1,050,000	742,056	1,792,056
2023	1,050,000	705,306	1,755,306
2024	1,050,000	663,306	1,713,306
2025-2029	5,685,000	2,665,331	8,350,331
2030-2034	6,375,000	1,467,563	7,842,563
2035-2036	2,950,000	194,688	3,144,688
Total	\$ 20,210,000	\$ 8,029,987	\$ 28,239,987

C. Equipment Installment Agreement - Loan Payable

On August 28, 2018 the District entered into an equipment installment agreement for a chiller (HVAC System) at the District's High School facility. The loan is for a term of five years. Principal and interest due on the outstanding loan payable is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 266,224	\$ 33,611	\$ 299,835
2020	274,256	25,579	299,835
2021	282,530	17,305	299,835
2022	291,054	8,781	299,835
Total	\$ 1,114,064	\$ 85,276	\$ 1,199,340

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 5. Long-Term Debt (continued):

D. Capital Leases Payable

The District is leasing a front loader and two Ford trucks under capital leases totaling \$225,505. All capital leases are for terms of five years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2019:

Fiscal Year Ending June 30,	Principal	Interest	Total
2020	\$ 42,548	7,301	\$ 49,849
2021	44,501	5,348	49,849
2022	46,553	3,296	49,849
2023	17,001	1,139	18,140
2024	<u>1</u>		<u>1</u>
Total	<u>\$150,604</u>	<u>17,084</u>	<u>\$167,688</u>

As of June 30, 2019, the School District has operating lease agreements in effect for the following:

Copiers and a Mailing Machine

Total operating lease payments made during the year ended June 30, 2019 was \$51,359. Future minimum lease payments are as follows:

Year	Amount
2020	\$ 57,866
2021	30,360
2022	21,191
2023	13,529
2024	<u>1,565</u>
Total Minimum Lease Payments	<u>\$124,511</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 6. Pension Plans

Plan Descriptions — Substantially all of the employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625. In addition, several District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by the State of New Jersey Division of Pensions and Benefits.

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund is a cost-sharing 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 <http://www.nj.gov/treasury/pensions/financial-reports.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.

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th 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 with 25 years or more of service credit before age 62, 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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 6. Pension Plans (continued):

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

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

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

For the year ended June 30, 2019, the District recognized pension expense of \$8,744,031 and revenue of \$8,744,031 for support provided by the State. Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district.

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

	<u>6/30/18</u>
Collective deferred outflows of resources	\$12,599,296,329
Collective deferred inflows of resources	16,171,861,734
Collective net pension liability (Non-Employer – State of New Jersey)	63,617,852,031
State's portion of net pension liability that was associated with the district	149,992,380
State's portion of the net pension liability That was associated with the district as a percentage of collective net liability	.2357708963%

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

Inflation rate	2.25%
Salary increases:	
2011-2026	1.55 – 4.55%
Thereafter	2.00 – 5.45%
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, setback 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 6. Pension Plans (continued):

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

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 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 a separately issued State of New Jersey Teacher's Pension and Annuity Fund financial report.

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability, the district would not be sensitive to any changes in the discount rate.

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in a separately issued State of New Jersey Teacher's Pension and Annuity Fund financial report.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 6. Pension Plans (continued):

Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th 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 2016, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 6. Pension Plans (continued):

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

employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Board of Education contributions to PERS amounted to \$918,305 for 2018.

The employee contribution rate is 7.5% of the base salary as of July 1, 2018.

Net Pension Liability and Pension Expense - At June 30, 2019, the District's proportionate share of the PERS net pension liability is valued to be \$18,177,729. 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 June 30, 2017, to the measurement date of June 30, 2018. The District's proportion of the net pension liability was based on the Board of Education's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2018. The District's proportion measured as of June 30, 2018, was .00092%, which was a decrease of .08771% from its proportion measured as of June 30, 2017.

	6/30/2019
Actuarial valuation date	July 1, 2018
Net Pension Liability	\$ 18,177,729
District's portion of the Plan's total Net Pension Liability	0.00092%

For the year ended June 30, 2019, the Board of Education had an allocated pension expense of \$931,505.

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 actuarial assumptions:

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2019

Note 6. Pension Plans (continued):

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

Preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 year for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for services retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using generational approach based on the Conduent 2014 projection scale thereafter. 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.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2018 are summarized in a separately issued State of New Jersey Public Employees' Retirement System financial report.

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 (State of New Jersey) contributed 50% of actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 6. Pension Plans (continued):

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

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

	<u>At 1% decrease (4.66%)</u>	<u>At current discount rate (5.66%)</u>	<u>At 1% increase (6.66%)</u>
District's proportionate Share of pension liability	\$ 21,898,683	\$ 18,177,729	\$ 14,252,623

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

For the year ended June 30, 2019, the District recognized pension expense of \$922,489 at June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 346,652	\$ 93,730
Changes of assumptions	2,995,389	5,812,271
Net difference between projected and actual earnings on pension plan investments		170,508
Changes in proportion and differences between District contributions and proportionate share of contributions	1,003,338	923,372
District contributions subsequent to the measurement date	918,305	
Total	<u>\$ 5,263,684</u>	<u>6,999,881</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 6. Pension Plans (continued):

Additional Information

Collective balances at June 30, 2018 is as follows:

	<u>6/30/18</u>
Collective deferred outflows of resources	\$ 4,345,379
Collective deferred inflows of resources	\$ 6,999,881
Collective net pension liability	\$18,177,729
 District's Proportion	 .000923219%

\$918,305 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended June 30:
2020	\$ (374,242)
2021	(374,242)
2022	(374,242)
2023	(374,242)
2024	(374,243)
Thereafter	<u>(783,291)</u>
 Total	 \$ <u>(2,654,502)</u>

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

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist. The District's contributions, equal to the required contribution for June 30, 2019 is \$14,090.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7. Post-Retirement Benefits

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

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

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

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

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

The measurement date under GASB 75 is the date in which the discount rate, the balance sheet liabilities and income statement entries are reported. GASB 75 allows for the measurement date to be equal to any day in the fiscal year. The State of New Jersey has decided to choose the GASB 75 measurement date in the beginning of the fiscal year. The measurement date for the fiscal year ending June 30, 2019 GASB 75 valuation is June 30, 2018.

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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

Note 7. Post-Retirement Benefits (continued):

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

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

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with full generational mortality improvement projection from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-20006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

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

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

Health Care Trend Assumptions – For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to 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, 2017 is 3.58%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7. Post-Retirement Benefits (continued):

Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

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

	Total OPEB <u>Liability</u>
Balance at 6/30/17	\$53,639,841,858
Service Cost	1,984,642,729
Interest on the Total OPEB Liability	1,970,236,232
Changes of Benefit Terms	-
Differences between Expected and Actual Experience	(5,002,065,740)
Changes of Assumptions	(5,291,448,855)
Gross Benefit Payments	(1,232,987,247)
Contributions From Members	<u>42,614,005</u>
Net Changes	<u>(7,529,008,876)</u>
Balance at 6/30/18	<u>\$46,110,832,982</u>

There has been no change of benefit terms in the retirees' share of health insurance premiums from 2017 to 2018.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58% in 2017 to 3.87% in 2018.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate as of June 30, 2018:

	<u>1% Decrease</u> <u>(2.87%)</u>	<u>Discount Rate</u> <u>(3.87%)</u>	<u>1% Increase</u> <u>(4.87%)</u>
Total OPEB Liability (School Retirees)	\$54,512,391,175	\$46,110,832,982	\$39,432,461,816

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 7. Post-Retirement Benefits (continued):

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates as of June 30, 2018:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	\$38,113,289,045	\$46,110,832,982	\$56,687,891,003

OPEB expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2018, the board of education recognized OPEB expense of \$5,688,940 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the Willingboro School District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2018, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Actual and Expected Experience		\$ 4,476,086,167
Changes of Assumptions or Inputs	<u>-</u>	<u>10,335,978,867</u>
Total	<u>\$ -</u>	<u>\$14,812,065,034</u>

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

	Year Ended June 30:
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	<u>(5,685,972,069)</u>
Total	<u>\$(14,812,065,034)</u>

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 8. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

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

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

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2018-2019	\$161,868	\$2,364	\$ 249,802	\$338,514
2017-2018	8,430	1,746	38,265	424,084
2016-2017	58,613	827	204,419	452,174

Note 9. Contingent Liabilities

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

Note 10. Economic Dependency

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 11. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2019:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 916,767	\$ 405,472
Special Revenue Fund		436,807
Enterprise Fund	68,689	356,840
Fiduciary Funds	14,403	137,523
Capital Projects	<u>336,783</u>	<u>-</u>
Total	<u>\$ 1,336,642</u>	<u>\$ 1,336,642</u>

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

Note 12. Fund Balance Appropriated

General Fund (Exhibit B-1) — Of the \$5,917,987 General Fund balance at June 30, 2019, \$3,776,062 has been restricted for Excess Surplus; \$1,699,730 has been restricted for Excess Surplus Designated for Subsequent Year's Expenditures; \$978,769 has been restricted for Additional Designated for Subsequent Year's Expenditures and (\$1,288,410) is unassigned.

Note 13. Deferred Compensation

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

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

Note 14. Compensated Absences

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 14. Compensated Absences (Continued):

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable fund total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2019 is \$1,098,315.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2019, no liability existed for compensated absences in the proprietary fund types.

Note 15. Calculation of Excess Surplus

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2005, c.73 (S1701), the designation for Restricted Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2019 is \$6,227,628 of which \$3,093,639 was appropriated in the 2019-2020 budget. The balance of \$3,893,853 will be appropriated in 2020-2021.

Note 16. Tax Abatements

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

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 16. Tax Abatements (continued):

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

The Municipality recognized revenue of \$165,294 from the annual service charge in lieu of payment of taxes in 2018. The assessed value on these exemption properties amounted to \$28,627,800 which would have resulted in 2018 taxes billed in full of \$1,116,770. A portion of the \$379,661 abatement would have been allocated to the District.

Note 17. Capital Reserve Account

A capital reserve account was established by the Willingboro Board of Education by inclusion of \$1,410,000 on August 28, 2018 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.

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

Beginning balance July 1, 2018	\$ -0-
Deposits	1,410,000
Interest Earnings	19,125
Withdraws	<u>(450,356)</u>
Ending balance June 30, 2019	<u>\$ 978,769</u>

The June 30, 2019 LRFP balance of local support costs of uncompleted capital projects at June 30, 2019 is \$1,800,000. The withdraws from the capital reserve were for use in a DOE approved facilities project, consistent with the district's Long-Range Facilities Plan.

Note 18. Transfers From Capital Reserve to Capital Outlay

During the year ending June 30, 2019, the district transferred \$450,356 to the capital outlay accounts. The transfer was made from the capital reserve account to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to N.J.A.C. 6A:23-A-8.4.

Note 19. Deficit Unrestricted Net Position and Unassigned Fund Balance

The District has a deficit in unrestricted net position of \$23,053,957, as reported in the statement of net position (accrual basis). The District also has a deficit in unassigned fund balance of \$1,288,410 in the General Fund shown on Exhibit B-1. The deficits resulted from recording the June 2018 state aid payments in accordance with N.J.S.A. 18A: 22-44.2 which provides that in the event state school aid payments are not made until the following school budget year, districts must record the state aid payments as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires recognition (revenue, expenditure,

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019

Note 19. Deficit Unrestricted Net Position and Unassigned Fund Balance (continued):

asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. Also contributing to the deficit in net assets is the amount of compensated absences, \$1,098,315 and pension liability, \$21,843,828 both recorded on the accrual basis. While reflected as liabilities, the obligations will not be funded until a future date coincident with termination and/or retirement of services. Due to the resulting timing differences, the deficits do not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A.18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey stature and regulation nor is need of corrective action. The District deficit in the GAAP fund statements of \$1,288,410 is less than the last state aid payments.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210-000	\$31,666,506		31,666,506	31,666,507	1
Tuition	10-1300-000	300,000		300,000	508,030	208,030
Transportation Fees from LEAs	10-1420-000	50,000		50,000	258,912	208,912
Interest Earned	10-1510-000				107,601	107,601
Rentals Facility	10-1910-000	29,568		29,568	11,642	(17,926)
Miscellaneous Revenue	10-1990-000	400,000		400,000	64,639	(335,361)
Total Local Sources		32,446,074		32,446,074	32,617,331	171,257
State Sources:						
Transportation Aid	10-3120-000	1,015,853		1,015,853	1,015,853	
Extraordinary Aid	10-3131-000	650,000		650,000	1,041,004	391,004
Categorical Special Education Aid	10-3132-000	2,391,334		2,391,334	2,391,334	
Equalization Aid	10-3176-000	34,408,654		34,408,654	34,408,654	
Categorical Security Aid	10-3177-000	1,086,670		1,086,670	1,086,670	
Other State Aid	10-3190-000					
Nonpublic Transportation Aid					60,335	60,335
Nonbudgeted:						
On-Behalf TPAF Pension Contribution					4,559,487	4,559,487
On-Behalf TPAF Post-Retirement Medical Contribution					2,068,176	2,068,176
On-Behalf TPAF Long Term Disability Insurance Contribution					2,569	2,569
Reimbursed TPAF Social Security Contributions					1,748,309	1,748,309
Total State Sources		39,552,511		39,552,511	48,382,391	8,829,880
Federal Sources:						
Medicaid Reimbursement	10-4200-000	139,802		139,802	166,860	27,058
Total Federal Services		139,802		139,802	166,860	27,058
Total Revenues		72,138,387		72,138,387	81,166,582	9,028,195
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	929,262	392,836	1,322,098	1,302,188	19,910
Grades 1 - 5	11-120-100-101	5,443,584	158,164	5,601,748	5,511,680	90,068
Grades 6 - 8	11-130-100-101	3,253,553	189,000	3,442,553	3,168,581	273,972
Grades 9 - 12	11-140-100-101	3,405,437	(247,000)	3,158,437	2,844,926	313,511
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	150,000	13,800	163,800	157,612	6,188
Purchased Professional/ Educational Services	11-150-100-320	15,000	3,024	18,024	9,298	8,726
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	52,657	26,000	78,657	74,015	4,642
Purchased Professional/ Educational Services	11-190-100-320	1,163,895	253,037	1,416,932	1,413,726	3,206

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Regular Programs - Undistributed Instruction (continued):						
Purchased Technical Services	11-190-100-340	158,890	33,845	192,735	176,854	15,881
General Supplies	11-190-100-610	631,757	92,108	723,865	683,567	40,298
Textbooks	11-190-100-640	610,769	(1,276)	609,493	599,946	9,547
Other Objects	11-190-100-891	48,047	19,995	68,042	30,581	37,461
Total Regular Programs - Instruction		15,862,851	933,533	16,796,384	15,972,974	823,410
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	2,516,453	(201,000)	2,315,453	2,290,135	25,318
Other Salaries for Instruction	11-204-100-106	88,986	(500)	88,486	72,844	15,642
General Supplies	11-204-100-610	5,000	500	5,500	4,726	774
Total Learning and/or Language Disabilities		2,610,439	(201,000)	2,409,439	2,367,705	41,734
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	453,464		453,464	439,833	13,631
Other Salaries for Instruction	11-209-100-106	15,984		15,984	15,822	162
General Supplies	11-209-100-610	500		500	190	310
Total Behavioral Disabilities		469,948		469,948	455,845	14,103
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	800,955	(95,000)	705,955	668,430	37,525
Other Salaries for Instruction	11-212-100-106	75,519		75,519	72,495	3,024
General Supplies	11-212-100-610	500		500	58	442
Total Multiple Handicapped		876,974	(95,000)	781,974	740,983	40,991
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	122,490		122,490	121,882	608
Other Salaries for Instruction	11-213-100-106	110,160		110,160	95,947	14,213
General Supplies	11-213-100-610	1,000		1,000	463	537
Total Resource Room/Resource Center		233,650		233,650	218,292	15,358
Autism:						
Salaries of Teachers	11-214-100-101	270,834	6,000	276,834	274,846	1,988
Other Salaries for Instruction	11-214-100-106	118,490	(6,000)	112,490	96,529	15,961
General Supplies	11-214-100-610	5,000		5,000	4,465	535
Total Autism		394,324		394,324	375,840	18,484
Preschool Disabilities - Full-Time:						
Salaries of Teachers	11-216-100-101	342,876	25,000	367,876	363,939	3,937
Other Salaries for Instruction	11-216-100-106	80,625		80,625	46,609	34,016
General Supplies	11-216-100-610	5,000		5,000	3,149	1,851
Other Objects	11-216-100-800	5,000		5,000		5,000
Total Preschool Disabilities - Full-Time		433,501	25,000	458,501	413,697	44,804
Total Special Education - Instruction		5,018,836	(271,000)	4,747,836	4,572,362	175,474

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Bilingual Education:						
Salaries of Teachers	11-240-100-101	198,025	(30,000)	168,025	130,655	37,370
Total Bilingual Education		198,025	(30,000)	168,025	130,655	37,370
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	227,191	(14,600)	212,591	167,623	44,968
Purchased Services	11-401-100-500	1,500		1,500	1,155	345
Other Objectives	11-401-100-800	8,000	(5,000)	3,000		3,000
Total School Sponsored Cocurricular Activities		236,691	(19,600)	217,091	168,778	48,313
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	514,371	(23,400)	490,971	486,519	4,452
Purchased Services	11-402-100-500	132,476	(21,517)	110,959	107,992	2,967
Supplies and Materials	11-402-100-600	53,680	12,441	66,121	53,497	12,624
Other Objects	11-402-100-800	16,190	5,284	21,474	21,226	248
Total School Sponsored Athletics - Instruction		716,717	(27,192)	689,525	669,234	20,291
Alternative Education Programs - Instruction						
Salaries of Teachers	11-423-100-101	504,397	(4,000)	500,397	485,178	15,219
Other Salaries of Instruction	11-423-100-106	15,630		15,630		15,630
General Supplies	11-423-100-610	2,500	(850)	1,650	1,622	28
Total Alternative Education Programs - Instruction		522,527	(4,850)	517,677	486,800	30,877
Alternative Education Programs - Support Services						
Salaries	11-423-200-100	161,613	12,000	173,613	171,433	2,180
Total Alternative Education Programs - Support Services		161,613	12,000	173,613	171,433	2,180
Total - Instruction		22,717,260	592,891	23,310,151	22,172,236	1,137,915
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEA's - State Regular	11-000-100-561	333,487	331,555	665,042	623,401	41,641
Tuition to Other LEA's - State Special	11-000-100-562	96,292		96,292	89,193	7,099
Tuition to County Vocational School Regular	11-000-100-563	2,240,940	5,710	2,246,650	2,240,940	5,710
Tuition to CSSD & Regional Day School	11-000-100-565	2,893,133	(234,877)	2,658,256	2,624,080	34,176
Tuition to Private Schools For The Handicapped - State	11-000-100-566	3,690,854	(277,104)	3,413,750	3,325,410	88,340
Tuition - State Facilities	11-000-100-568	294,319		294,319	294,319	
Tuition - Other	11-000-100-569	51,410	177,223	228,633	228,633	
Total Undistributed Expenditures - Instruction		9,600,435	2,507	9,602,942	9,425,976	176,966

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Attendance & Social Work Services:						
Salaries	11-000-211-100	279,926	34,800	314,726	308,400	6,326
Salaries of Family Liaisons	11-000-211-173	68,977		68,977	68,963	14
Purchased Professional/ Technical Services	11-000-211-340	35,000	241	35,241	34,659	582
Other Purchased Services	11-000-211-580	4,500	(3,000)	1,500		1,500
Supplies and Materials	11-000-211-610	2,500	5,200	7,700	7,294	406
Total Attendance & Social Work Services		390,903	37,241	428,144	419,316	8,828
Health Services:						
Salaries	11-000-213-100	514,560	(10,000)	504,560	474,133	30,427
Purchased Professional & Technical Services	11-000-213-300	100,000	67,328	167,328	155,384	11,944
Supplies and Materials	11-000-213-600	11,006	(2,683)	8,323	6,213	2,110
Total Health Services		625,566	54,645	680,211	635,730	44,481
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	806,805	(67,500)	739,305	682,177	57,128
Purchased Professional - Educational Services	11-000-216-320	65,000	184,269	249,269	245,940	3,329
Supplies and Materials	11-000-216-600	10,000	(10,000)			
Total Other Support Services - Students - Related - Services		881,805	106,769	988,574	928,117	60,457
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	515,157	(100,000)	415,157	397,006	18,151
Purchased Professional - Educational Services	11-000-217-320	520,000	29,420	549,420	543,544	5,876
Total Other Support Services - Students - Extra Services		1,035,157	(70,580)	964,577	940,550	24,027
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	716,694	60,000	776,694	753,229	23,465
Salaries of Secretarial & Clerical Assistants	11-000-218-105	59,862	(10,000)	49,862	20,928	28,934
Other Purchased Professional & Technical Services	11-000-218-390	11,000	2,119	13,119	11,900	1,219
Supplies and Materials	11-000-218-600	14,500	821	15,321	14,323	998
Total Other Support Services - Students - Regular		802,056	52,940	854,996	800,380	54,616
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	1,352,524	(117,000)	1,235,524	1,202,050	33,474

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Other Support Services - Students - Special Services (continued):						
Salaries of Secretarial & Clerical Assistants	11-000-219-105	91,892	23,000	114,892	103,714	11,178
Unused Vacation Payment to Terminated/ Retired Staff	11-000-219-199	7,000	(3,000)	4,000		4,000
Purchased Professional - Educational Services	11-000-219-320	119,000		119,000	117,594	1,406
Other Purchased Professional & Technical Services	11-000-219-390	30,000	(435)	29,565	27,135	2,430
Other Purchased Services	11-000-219-580	5,000	(200)	4,800	1,838	2,962
Supplies and Materials	11-000-219-600	22,050	(495)	21,555	21,175	380
Other Objects	11-000-219-800	2,500	695	3,195	3,195	
Total Other Support Services - Students - Special Services		1,629,966	(97,435)	1,532,531	1,476,701	55,830
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	704,230	(115,500)	588,730	567,020	21,710
Salaries of Other Professional Staff	11-000-221-104	53,298		53,298	43,517	9,781
Salaries of Secretarial & Clerical Assistants	11-000-221-105	120,451	500	120,951	120,468	483
Unused Vacation Payment to Terminated/ Retired Staff	11-000-221-199	10,000	(6,000)	4,000		4,000
Other Purchased Professional & Technical Services	11-000-221-390	71,500	24,146	95,646	87,066	8,580
Supplies and Materials	11-000-221-600	9,500	50	9,550	8,490	1,060
Other Objects	11-000-221-800	5,460	(50)	5,410	4,840	570
Total Improvement of Instruction Services/Other Support Services Instructional Staff		974,439	(96,854)	877,585	831,401	46,184
Educational Media Services/School Library:						
Salaries	11-000-222-100	834,601	(110,175)	724,426	674,492	49,934
Unused Vacation Payment to Terminated/ Retired Staff	11-000-222-199	1,400	3,000	4,400	4,038	362
Purchased Professional & Technical Services	11-000-222-300	73,200	(61,240)	11,960	3,014	8,946
Supplies and Materials	11-000-222-600	13,745	(1,148)	12,597	8,791	3,806
Total Educational Media Services/School Library		922,946	(169,563)	753,383	690,335	63,048
Instructional Staff Training Services:						
Purchased Professional - Educational Services	11-000-223-320	35,500	7,800	43,300	12,584	30,716
Other Purchased Services	11-000-223-500	25,331	(800)	24,531	19,110	5,421
Total Instructional Staff Training Services		60,831	7,000	67,831	31,694	36,137

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Support Services General Administration:						
Salaries	11-000-230-100	340,682	130,800	471,482	468,822	2,660
Unused Vacation Payment to Terminated/ Retired Staff	11-000-230-199		21,000	21,000		21,000
Tuition Reimbursement	11-000-230-280	1,280		1,280	150	1,130
Legal Services	11-000-230-331	300,000	(6,000)	294,000	293,592	408
Audit Fees	11-000-230-332	60,000		60,000	55,990	4,010
Other Purchased Professional Services	11-000-230-339	5,085		5,085	938	4,147
Communications/Telephone	11-000-230-530	585,036	(214,468)	370,568	152,258	218,310
BOE Other Purchased Services	11-000-230-585	8,150	225	8,375	6,279	2,096
Other Purchased Services	11-000-230-590	11,000	9,963	20,963	10,144	10,819
Supplies and Materials	11-000-230-610	6,000	(100)	5,900	3,241	2,659
In-House Training	11-000-230-630	5,000		5,000	4,769	231
Judgment Against District	11-000-230-820	90,000	(80,000)	10,000	62	9,938
Miscellaneous Expenditures	11-000-230-890	7,250	2,500	9,750	7,174	2,576
BOE Membership Dues and Fees	11-000-230-895	28,000		28,000	25,330	2,670
Total Support Services General Administration		1,447,483	(136,080)	1,311,403	1,028,749	282,654
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	1,439,281	(30,000)	1,409,281	1,362,337	46,944
Salaries of Secretarial & Clerical Assistants	11-000-240-105	545,540	(123,500)	422,040	366,943	55,097
Unused Vacation Payment to Terminated/ Retired Staff	11-000-240-199	25,000	(16,500)	8,500	8,021	479
Unused Sick Payment to Terminated/ Retired Staff	11-000-240-299	5,000	(3,000)	2,000		2,000
Supplies and Materials	11-000-240-600	27,047	1,438	28,485	16,324	12,161
Other Objects	11-000-240-800	25,092	(1,556)	23,536	21,432	2,104
Total Support Services School Administration		2,066,960	(173,118)	1,893,842	1,775,057	118,785
Central Services:						
Salaries	11-000-251-100	857,429	(23,554)	833,875	830,201	3,674
Unused Vacation Payment to Terminated/ Retired Staff	11-000-251-199	6,000		6,000	4,416	1,584
Unused Sick Payment to Terminated/ Retired Staff	11-000-251-299	5,000	(800)	4,200		4,200
Purchased Professional Services	11-000-251-330	24,400	77,613	102,013	84,943	17,070
Purchased Technical Services	11-000-251-340	27,000	14,794	41,794	37,382	4,412
Miscellaneous Purchased Services	11-000-251-592	9,750	(4,550)	5,200	4,426	774
Supplies and Materials	11-000-251-610	49,700	7,148	56,848	53,205	3,643
Interest on Lease Purchase Agreements	11-000-251-832	3,084		3,084	3,899	(815)
Miscellaneous Expenditures	11-000-251-890	6,970	(2,544)	4,426	3,124	1,302
Total Central Services		989,333	68,107	1,057,440	1,021,596	35,844
Administrative Information Technology:						
Salaries	11-000-252-100	3,000		3,000	2,212	788
Purchased Technical Services	11-000-252-340	146,760	(4,000)	142,760	139,097	3,663
Other Purchased Services	11-000-252-500	2,500		2,500	1,624	876
Supplies and Materials	11-000-252-600	20,000	3,275	23,275	19,837	3,438
Total Administrative Information Technology		172,260	(725)	171,535	162,770	8,765

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	632,914	(15,000)	617,914	566,080	51,834
Unused Vacation Payment to Terminated/ Retired Staff	11-000-261-199	15,000	(6,000)	9,000	4,645	4,355
Cleaning, Repair & Maintenance Services	11-000-261-420	600,000	97,992	697,992	611,305	86,687
Lead Testing of Drinking Water	11-000-261-421	15,000	(13,000)	2,000		2,000
General Supplies	11-000-261-610	40,000	(8,884)	31,116	28,217	2,899
Total Allowable Maintenance for School Facilities		1,302,914	55,108	1,358,022	1,210,247	147,775
Other Operation & Maintenance of Plant:						
Salaries	11-000-262-100	1,711,908	123,000	1,834,908	1,820,850	14,058
Salaries of Non Instructional Aides	11-000-262-107	219,632	(13,000)	206,632	183,990	22,642
Unused Vacation Payment to Terminated/ Retired Staff	11-000-262-199	10,000	(5,000)	5,000	840	4,160
Purchased Professional & Technical Services	11-000-262-300	260,000	202,242	462,242	388,249	73,993
Cleaning, Repair & Maintenance Services	11-000-262-420	220,000	67,039	287,039	258,692	28,347
Other Purchased Property Services	11-000-262-490	80,000	(5,588)	74,412	69,319	5,093
Insurance	11-000-262-520	1,552,850	(228,000)	1,324,850	1,278,187	46,663
Miscellaneous Purchased Services	11-000-262-590	7,500		7,500	3,255	4,245
General Supplies	11-000-262-610	388,300	(37,684)	350,616	334,599	16,017
Energy (Natural Gas)	11-000-262-621	280,000	146,070	426,070	408,030	18,040
Energy (Electricity)	11-000-262-622	1,080,000	(165,062)	914,938	894,999	19,939
Energy (Gasoline)	11-000-262-626	25,000	(11,000)	14,000		14,000
Other Objects	11-000-262-800	10,000	(2,000)	8,000	2,970	5,030
Total Other Operation & Maintenance of Plant		5,845,190	71,017	5,916,207	5,643,980	272,227
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	69,894		69,894	54,167	15,727
Purchased Professional & Technical Services	11-000-263-300	210,000	(7,000)	203,000	197,212	5,788
CLN, RPR, Maintenance Services	11-000-263-420	15,000		15,000	10,348	4,652
General Supplies	11-000-263-610	26,500	5,958	32,458	29,002	3,456
Total Care & Upkeep of Grounds		321,394	(1,042)	320,352	290,729	29,623
Security:						
Salaries	11-000-266-100	698,268	(527,994)	170,274	161,969	8,305
Unused Vacation Payment to Terminated/ Retired Staff	11-000-266-199		16,450	16,450	16,414	36
Purchased Professional & Technical Services	11-000-266-300	148,688	522,277	670,965	633,219	37,746
Cleaning, Repair & Maintenance Services	11-000-266-420	12,000	(11,000)	1,000		1,000
General Supplies	11-000-266-610	17,500	16,000	33,500	29,902	3,598
Other Objects	11-000-266-800	500		500	150	350
Total Security		876,956	15,733	892,689	841,654	51,035

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	152,119	40,000	192,119	190,468	1,651
Other Purchased Professional & Technical Services	11-000-270-390	6,650		6,650	5,506	1,144
Cleaning, Repair & Maintenance Services	11-000-270-420	2,000		2,000		2,000
Aid in Lieu - Non Public Schools	11-000-270-503	200,000	63,582	263,582	204,617	58,965
Aid in Lieu - Charter Schools	11-000-270-504	25,000	15,000	40,000	26,922	13,078
Contracted Services (Between Home & School) - Vendors	11-000-270-511	917,778	302,720	1,220,498	1,188,485	32,013
Contracted Services (Other Than Between Home & School)-Vendors	11-000-270-512	242,000	(17,889)	224,111	198,229	25,882
Contracted Services (Special Education Students) - Vendors	11-000-270-514	2,060,406	29,594	2,090,000	2,062,195	27,805
Contracted Services (Special Education Students) - Joint Agreements	11-000-270-515	45,000		45,000	42,906	2,094
Contracted Services (Special Education Students) - ESCs & CTSA's	11-000-270-518	199,500	(8,368)	191,132	190,862	270
General Supplies	11-000-270-610	32,500	247,392	279,892	248,368	31,524
Total Student Transportation Services		3,882,953	672,031	4,554,984	4,358,558	196,426
Unallocated Benefits Employee Benefits:						
Social Security	11-000-291-220	622,560	131,359	753,919	663,717	90,202
TPAF Contributions - ERIP	11-000-291-232	1,600		1,600		1,600
Other Retirement Payments	11-000-291-241	865,220	77,269	942,489	936,579	5,910
Unemployment Compensation	11-000-291-250	90,000	(3,500)	86,500	39,931	46,569
Workers Compensation	11-000-291-260	30,000	11,633	41,633	30,383	11,250
Health Benefits	11-000-291-270	9,797,337	(365,997)	9,431,340	9,143,489	287,851
Tuition Reimbursement	11-000-291-280	60,000	15,000	75,000	75,000	
Unused Sick Payment to Terminated/ Retired Staff	11-000-291-299	150,000	(30,000)	120,000	68,593	51,407
Total Unallocated Benefits - Employee Benefits		11,616,717	(164,236)	11,452,481	10,957,692	494,789
Nonbudgeted:						
On-Behalf TPAF Pension Contributions					4,559,487	(4,559,487)
On-Behalf TPAF Post-Retirement Medical Contribution					2,068,176	(2,068,176)
On-Behalf TPAF Long Term Disability Insurance Contribution					2,569	(2,569)
Reimbursed TPAF Social Security Contributions					1,748,309	(1,748,309)
Total Undistributed Expenditures		45,446,264	233,465	45,679,729	51,849,773	(6,170,044)
Total Expenditures - Current Expense		68,163,524	826,356	68,989,880	74,022,009	(5,032,129)
Capital Outlay:						
Equipment:						
Preschool	12-105-100-730					
Grades 1-5	12-120-100-730					
Grades 9-12	12-140-100-730	6,000		6,000		6,000
School Sponsored and Other Instruction	12-402-100-732	600	38,062	38,662	11,075	27,587
Undistributed Expenditures:						
Central Services	12-000-251-730	2,000		2,000		2,000
Admin Information Technology	12-000-252-730	123,450		123,450	65,720	57,730
Required Maintenance School Facilities	12-000-261-730	51,000	23,919	74,919	54,368	20,551

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Capital Outlay (continued):						
Support Services - Related & Extra	12-000-218-730					
Central Services	12-000-251-730					
Custodial Equipment	12-000-262-730	25,000		25,000	22,665	2,335
SEC Equipment	12-000-266-730	5,000	272,560	277,560	272,060	5,500
Total Equipment		<u>213,050</u>	<u>334,541</u>	<u>547,591</u>	<u>425,888</u>	<u>121,703</u>
Facilities Acquisition & Construction Services:						
Construction Services	12-000-400-450	415,000	(295,936)	119,064	74,664	44,400
Lease Purchase Agreements - Principal	12-000-400-721		295,936	295,936	295,936	
Assessment for Debt Service on SDA Funding	12-000-400-896	71,937		71,937	71,937	
Facility Grant - Capital Outlay Transfer	12-000-400-931		450,356	450,356	450,356	
Total Acquisition & Construction Services		<u>486,937</u>	<u>450,356</u>	<u>937,293</u>	<u>892,893</u>	<u>44,400</u>
Total Capital Outlay		<u>699,987</u>	<u>784,897</u>	<u>1,484,884</u>	<u>1,318,781</u>	<u>166,103</u>
Total Expenditures		<u>68,863,511</u>	<u>1,611,253</u>	<u>70,474,764</u>	<u>75,340,790</u>	<u>(4,866,026)</u>
Excess/(Deficiency) of Revenues Over/(Under)						
Expenditures Before Other Financing Sources/(Uses)		<u>3,274,876</u>	<u>(1,611,253)</u>	<u>1,663,623</u>	<u>5,825,792</u>	<u>4,162,169</u>
Other Financing Sources/(Uses):						
Transfer from Other Funds	10-5200-000	315,756		315,756	315,756	
Cancellation of Prior Year Liability					70,383	(70,383)
Loan Proceeds					1,410,000	(1,410,000)
Transfer to Charter School		(5,924,407)	324,978	(5,599,429)	(5,572,783)	(26,646)
Total Other Financing Sources/(Uses)		<u>(5,608,651)</u>	<u>324,978</u>	<u>(5,283,673)</u>	<u>(3,776,644)</u>	<u>(1,507,029)</u>
Excess/(Deficiency) of Revenues Over/(Under)						
Expenditures After Other Financing Sources/(Uses)		<u>(2,333,775)</u>	<u>(1,286,275)</u>	<u>(3,620,050)</u>	<u>2,049,148</u>	<u>2,655,140</u>
Fund Balances, July 1		<u>7,786,547</u>		<u>7,786,547</u>	<u>7,786,547</u>	
Fund Balances, June 30		<u>\$5,452,772</u>	<u>(1,286,275)</u>	<u>4,166,497</u>	<u>9,835,695</u>	<u>2,655,140</u>

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Excess Surplus	3,133,889
Capital Reserve	978,769
Additional Designated for Subsequent Year's Expenditures	751,836
Excess Surplus - Designated for Subsequent Year's Expenditures	2,341,903
Assigned Fund Balance:	
Year-end Encumbrances	181,305
Designated for Subsequent Year's Expenditures	
Unassigned Fund Balance	<u>2,447,993</u>
Subtotal	<u>9,835,695</u>
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	<u>(3,917,708)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$5,917,987</u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES					
Local Sources		10,402	10,402	10,402	
State Sources	\$2,952,886	362,316	3,315,202	3,315,202	
Federal Sources	2,161,086	704,456	2,865,542	2,865,542	
Total Revenues	5,113,972	1,077,174	6,191,146	6,191,146	
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,101,779	243,148	1,344,927	1,344,927	
Other Salaries for Instruction	217,778	18,869	236,647	236,647	
Purchased Professional & Technical Services	144,500	64,820	209,320	209,320	
Other Purchased Services (400-500 Series)	20,000	(20,000)			
Tuition	720,000	5,834	725,834	725,834	
Textbooks	6,442	932	7,374	7,374	
General Supplies	1,164,321	(162,278)	1,002,043	1,002,043	
Other Objects	1,500	1,427	2,927	2,927	
Total Instruction	3,376,320	152,752	3,529,072	3,529,072	
Support Services:					
Salaries of Supervisors	295,530	93,515	389,045	389,045	
Salaries of Secretarial & Clerical Assistants	35,105	36,783	71,888	71,888	
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers	131,522	(34,484)	97,038	97,038	
Personal Services - Employee Benefits	537,848	281,226	819,074	819,074	
Purchased Educational Services	386,462	532,843	919,305	919,305	
Other Purchased Services					
Travel	35,000	(24,091)	10,909	10,909	
Supplies & Materials	19,185	7,655	26,840	26,840	
Miscellaneous Expenditures	7,000	6,395	13,395	13,395	
Total Support Services	1,447,652	899,842	2,347,494	2,347,494	
Facilities Acquisition & Construction Services:					
Instructional Equipment	90,000	(17,366)	72,634	72,634	
Noninstructional Equipment	200,000	41,946	241,946	241,946	
Total Facilities Acquisition & Construction Services	290,000	24,580	314,580	314,580	
Total Expenditures	5,113,972	1,077,174	6,191,146	6,191,146	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 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)	\$81,166,582	6,191,146
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	3,791,938	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(3,917,708)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$81,040,812</u>	<u>6,191,146</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<u>\$75,340,790</u>	<u>6,191,146</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$75,340,790</u>	<u>6,191,146</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

	Measurement Date					
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	0.042%	0.042%	0.046%	0.046%	0.044%	0.047%
District's Proportionate Share of the Net Pension Liability (Asset)	\$18,177,729	\$20,492,355	26,927,220	21,290,342	17,085,862	18,174,787
District's covered employee payroll	\$5,820,214	\$6,381,505	6,433,803	5,944,063	6,199,903	6,310,202
Plan Fiduciary Net Position as a Percentage of the Total Pension	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

	Measurement Date					
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially Determined Contribution	\$918,305	\$815,519	807,700	815,395	752,312	716,531
Contributions in relation to the Actuarially Determined Contributions	918,305	815,519	807,700	815,395	752,312	716,531
	-	-	-	-	-	-
Covered-Employee Payroll	\$5,820,214.00	6,381,505	6,433,803	5,944,063	6,199,903	6,310,202
Contributions as a Percentage of Covered - Employee Payroll	15.78%	12.78%	12.55%	13.72%	12.13%	11.36%

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

	Measurement Date					
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
State's Proportion of the Net Pension Liability (Asset) Associated with the District	0.236%	0.252%	0.260%	0.265%	0.268%	0.276%
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	149,992,380	169,615,897	204,925,532	167,534,573	144,317,866	139,984,346

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

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

	<u>Measurement Date</u>	
	<u>2018</u>	<u>2017</u>
<u>Total OPEB Liability</u>		
Service Cost	5,513,106	\$6,604,131
Interest Cost	6,803,021	5,884,445
Difference Between Expected and Actual Experiences	(18,023,416)	
Changes of Assumptions	(18,194,326)	(23,716,830)
Contributions: Members	146,526	159,101
Gross Benefit Payments	(4,239,552)	(4,320,754)
Net Change in Total OPEB Liability	(\$27,994,641)	(\$15,389,907)
Total OPEB Liability (Beginning)	186,543,941	201,933,848
Total OPEB Liability (Ending)	<u>\$158,549,300</u>	<u>\$186,543,941</u>
<u>Plan Fiduciary Net Position</u>		
Plan Fiduciary Net Position (Ending)	-	-
Net OPEB Liability (Ending)	\$158,549,300	\$186,543,941
Net Position as a Percentage of OPEB Liability	0.00%	0.00%
Covered Employee Payroll	\$5,820,214	\$6,381,505
Net OPEB Liability as a Percentage of Payroll	2724%	2923%

Source Documents:

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

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2019

Public Employees' Retirement System (PERS)

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

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

Teachers' Pension and Annuity Fund (TPAF)

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

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

Special Funding Situation. The employer contribution for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are 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 local participating employers do 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. However, the notes to the financial statements of the local participating employers must disclose

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2019

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

the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

State Health Benefit Local Education Retired Employee Plan

Special Funding Situation. The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	NO CHILD LEFT BEHIND				
	TITLE I	TITLE I REALLOCATION	TITLE I SIA	TITLE II A	I.D.E.A. PART B
Revenues:					
Local Sources					
State Sources					
Federal Sources	\$1,008,206	8,210	338,578	228,761	1,222,823
Total Revenues	\$1,008,206	8,210	338,578	228,761	1,222,823
Expenditures:					
Instruction:					
Salaries of Teachers	\$24,996			46,452	139,764
Other Salaries for Instruction					
Purchased Professional Services				68,000	106,313
Other Purchased Services					
Tuition					700,000
Textbooks					
General Supplies	245,389	8,210	338,578	95,403	10,981
Other Objects					2,927
Total Instruction	270,385	8,210	338,578	209,855	959,985
Support Services:					
Salaries of Supervisors					171,965
Salaries of Secretarial & Clerical Assistants					
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers					
Personal Services - Employee Benefits	1,912			3,415	39,255
Purchased Educational Services	714,669			4,800	46,618
Other Purchased Services					
Travel				10,691	
Purchased Professional - Technical Services					
Supplies & Materials	13,740				
Miscellaneous Expenditures	7,500				5,000
Total Support Services	737,821			18,906	262,838
Facilities Acquisition & Construction Services					
Instructional Equipment					
Non-Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$1,008,206	8,210	338,578	228,761	1,222,823

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	I.D.E.A. PRESCHOOL	PRESCHOOL EDUCATION	TEXTBOOK AID	NONPUBLIC COMPENSATORY EDUCATION AID	HOME INSTRUCTION
Revenues:					
Local Sources					
State Sources		3,202,712	7,374	59,812	1,954
Federal Sources	58,964				
Total Revenues	58,964	3,202,712	7,374	59,812	1,954
Expenditures:					
Instruction:					
Salaries of Teachers		1,133,715			
Other Salaries for Instruction		236,647			
Purchased Professional Services	32,053	1,000			1,954
Other Purchased Services					
Tuition	18,496	7,338			
Textbooks			7,374		
General Supplies	8,415	284,665			
Other Objects					
Total Instruction	58,964	1,663,365	7,374		1,954
Support Services:					
Salaries of Supervisors		217,080			
Salaries of Secretarial & Clerical Assistants		71,888			
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers		97,038			
Personal Services - Employee Benefits		774,492			
Purchased Educational Services		58,472		59,812	
Other Purchased Services					
Travel		218			
Purchased Professional - Technical Services					
Supplies & Materials		4,684			
Miscellaneous Expenditures		895			
Total Support Services		1,224,767		59,812	
Facilities Acquisition & Construction Services					
Instructional Equipment		72,634			
Non-Instructional Equipment		241,946			
Total Facilities Acquisition & Construction Services		314,580			
Total Expenditures	58,964	3,202,712	7,374	59,812	1,954

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	NURSING AID	SECURITY	NONPUBLIC EXAMINATION & CLASSIFICATION AID	TECHNOLOGY	SPEECH AID
Revenues:					
Local Sources					
State Sources	13,677	8,416	14,384	4,195	2,678
Federal Sources					
Total Revenues	13,677	8,416	14,384	4,195	2,678
Expenditures:					
Instruction:					
Salaries of Teachers					
Other Salaries for Instruction					
Purchased Professional Services					
Other Purchased Services					
Tuition					
Textbooks					
General Supplies					
Other Objects					
Total Instruction					
Support Services:					
Salaries of Supervisors					
Salaries of Secretarial & Clerical Assistants					
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers					
Personal Services - Employee Benefits					
Purchased Educational Services	13,677		14,384	4,195	2,678
Other Purchased Services					
Travel					
Purchased Professional - Technical Services					
Supplies & Materials		8,416			
Miscellaneous Expenditures					
Total Support Services	13,677	8,416	14,384	4,195	2,678
Facilities Acquisition & Construction Services:					
Instructional Equipment					
Non-Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$13,677	8,416	14,384	4,195	2,678

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	STAFF HONORARY	DELOITTE ACADEMY	NJSA	TOTAL
Revenues:				
Local Sources	265	5,000	5,137	10,402
State Sources				3,315,202
Federal Sources				2,865,542
Total Revenues	265	5,000	5,137	6,191,146
Expenditures:				
Instruction:				
Salaries of Teachers				1,344,927
Other Salaries for Instruction				236,647
Purchased Professional Services				209,320
Other Purchased Services				
Tuition				725,834
Textbooks				7,374
General Supplies	265	5,000	5,137	1,002,043
Other Objects				2,927
Total Instruction	265	5,000	5,137	3,529,072
Support Services:				
Salaries of Supervisors				389,045
Salaries of Secretarial & Clerical Assistants				71,888
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers				97,038
Personal Services - Employee Benefits				819,074
Purchased Educational Services				919,305
Other Purchased Services				
Travel				10,909
Supplies & Materials				26,840
Miscellaneous Expenditures				13,395
Total Support Services				2,347,494
Facilities Acquisition & Construction Services:				
Instructional Equipment				72,634
Non-Instructional Equipment				241,946
Total Facilities Acquisition & Construction Services				314,580
Total Expenditures	\$265	5,000	5,137	6,191,146

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AND AID OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

DISTRICT-WIDE TOTAL	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$1,145,426	1,133,715	11,711
Other Salaries for Instruction	261,778	236,647	25,131
Purchased Professional Services	40,000	1,000	39,000
Tuition	15,000	7,338	7,662
General Supplies	322,784	284,665	38,119
Total Instruction	1,784,988	1,663,365	121,623
Support Services:			
Salaries of Supervisors	219,372	217,080	2,292
Salaries of Secretarial & Clerical Assistant:	95,605	71,888	23,717
Salaries of Facilitators, Math, Literacy Coaches & Master Teachers	106,022	97,038	8,984
Personal Services - Employee Benefits	919,744	774,492	145,252
Other Purchased Educational Services	97,500	58,472	39,028
Travel	10,000	218	9,782
Supplies & Materials	6,500	4,684	1,816
Miscellaneous Expenditures	2,000	895	1,105
Total Support Services	1,456,743	1,224,767	231,976
Facilities Acquisition & Construction Services:			
Instructional Equipment	76,000	72,634	3,366
Noninstructional Equipment	276,500	241,946	34,554
Total Facilities Acquisition & Construction Services	352,500	314,580	37,920
Total Expenditures	\$3,594,231	3,202,712	391,519

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2018-2019 Preschool Education Aid Allocation	\$3,515,600
Add: Actual Preschool Education Aid Carryover (June 30, 2018)	817,679
Total Preschool Education Aid Funds Available for 2018-2019 Budget	4,333,279
Less: 2018-2019 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	(3,594,231)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2018	739,048
Add: June 30, 2019 Unexpended Preschool Education Aid Funds	391,519
Less: 2018-2019 Commissioner-approved Transfer to the General Fund	(399,000)
2018-2019 Carryover - Preschool Education Aid Funds	\$1,130,567
2017-2018 Preschool Education Aid Funds Carryover Budgeted in 2018-2019	\$817,679

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F. Capital Projects Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NUMBER	PROJECT TITLE	ORIGINAL APPROPRIATIONS	REVISED AUTHORIZED COSTS	EXPENDITURES TO DATE		(OVER)/UNDER EXPENDED BALANCE
				PRIOR YEAR	CURRENT YEAR	
2004	Levitt Middle School	\$3,574,041	3,574,041	3,538,968		35,073
2004	Other Projects	52,646	52,646	23,341		29,305
2010	Levitt Middle School Renovations	8,080,182	9,206,961	9,206,819		142
2019	HVAC Project	450,356	450,356		131,601	318,755
Total		\$12,157,225	13,284,004	12,769,128	131,601	383,275

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Revenues & Other Financing Sources:	
State Sources - SCC Grant	
Bond Proceeds & Transfers	<u>450,356</u>
 Total Revenues	 <u>450,356</u>
 Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	
Construction Services	-
Instructional Equipment	131,601
Miscellaneous Expenditures	<u>-</u>
 Total Expenditures	 <u>131,601</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	318,755
Fund Balance - Beginning	<u>64,520</u>
 Fund Balance - Ending	 <u><u>\$383,275</u></u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
UPGRADES TO LEVITT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019**

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

ADDITIONAL PROJECT INFORMATION

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
OTHER CAPITAL PROJECTS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019**

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

ADDITIONAL PROJECT INFORMATION

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO LEVITT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019**

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

ADDITIONAL PROJECT INFORMATION

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO LEVITT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2019**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant				
Bond Proceeds & Transfers		450,356	450,356	450,356
Total Revenues	-	450,356	450,356	450,356
Expenditures & Other Financing Uses:				
Salaries				
Purchased Professional & Technical Services & Contingencies				
Construction Services				
Instructional Equipment		131,601	131,601	131,601
Miscellaneous Expenditures				
Total Expenditures	-	131,601	131,601	131,601
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	318,755	318,755	318,755

ADDITIONAL PROJECT INFORMATION

Project Number	N/A
Loan Authorization Date	8/28/2018
Loan Authorized	\$1,410,000
Loan Issued	\$1,410,000
Original Authorized Cost	\$1,410,000
Additional Authorized Cost	-
Revised Authorized Cost	\$1,410,000
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	9.33%
Original Target Completion Date	6/30/2019
Revised Target Completion Date	6/30/2020

G. Proprietary Funds

Enterprise Funds

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF NET POSITION
AS OF JUNE 30, 2019**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Current Assets:			
Cash & Cash Equivalents	\$11,700	622,901	634,601
Interfund Receivable	68,689		68,689
Due from Other Governments	310,385		310,385
Other Accounts Receivable	2,404	23,443	25,847
Inventories	1,706		1,706
Total Current Assets	394,884	646,344	1,041,228
Noncurrent assets:			
Furniture, Machinery & Equipment	966,196	27,114	993,310
Less: Accumulated Depreciation	793,784	27,114	820,898
Total Noncurrent Assets	172,412		172,412
Total Assets	567,296	646,344	1,213,640
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows		52,637	52,637
Total Deferred Outflows of Resources		52,637	52,637
LIABILITIES			
Accounts Payable	210,460	12,339	222,799
Interfund Payable	178,963	177,877	356,840
Pension Liability		181,777	181,777
Unearned Revenue		7,835	7,835
Total Liabilities	389,423	379,828	769,251
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows		69,999	69,999
Total Deferred Inflows of Resources		69,999	69,999
NET POSITION			
Investment in Capital Assets, Net of Related Debt	172,412		172,412
Unrestricted	5,461	249,154	254,615
Total Net Position	\$177,873	249,154	427,027

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2019**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$249,896		249,896
Daily Sales - Non-Reimbursable Programs	136,298		136,298
Special Functions	25,946		25,946
Tuition & Fees		601,027	601,027
Total Operating Revenues	412,140	601,027	1,013,167
Operating Expenses:			
Cost of Sales - Reimbursable Programs	635,327		635,327
Cost of Sales - Non-Reimbursable Programs	40,889		40,889
Salaries	857,945	409,329	1,267,274
Management Fee	137,800		137,800
Employee Benefits	110,379	77,745	188,124
Cleaning, Repair & Maintenance Services	3,803		3,803
Travel Services	2,601	1,008	3,609
Purchased Services	30,665	11,575	42,240
Insurance	32,531		32,531
Supplies and Materials	242,997	16,363	259,360
Miscellaneous	17,873	21,086	38,959
Rent	120,756	195,000	315,756
Depreciation	40,795		40,795
Total Operating Expenses	2,274,361	732,106	3,006,467
Operating Income/(Loss)	(1,862,221)	(131,079)	(1,993,300)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	23,309		23,309
Federal Sources:			
National School Lunch Program	1,139,270		1,139,270
National After School Snack Program	59,984		59,984
National School Breakfast Program	384,986		384,986
Food Distribution Program	112,185		112,185
Total Nonoperating Revenues/(Expenses)	1,719,734		1,719,734
Income/(Loss) Before Contributions & Transfers	(142,487)	(131,079)	(273,566)
Total Net Position - Beginning	320,360	380,233	700,593
Total Net Position - Ending	\$177,873	249,154	427,027

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2019**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Cash Flows From Operating Activities:			
Receipts from Customers	\$714,123	579,924	1,294,047
Payments to Employees	(857,945)	(409,329)	(1,267,274)
Payments for Employee Benefits	(110,379)	(78,642)	(189,021)
Payments to Suppliers	(1,310,805)	(197,851)	(1,508,656)
Net Cash Provided/(Used) by Operating Activities	(1,565,006)	(105,898)	(1,670,904)
Cash Flows From Noncapital Financing Activities:			
State Sources	23,309		23,309
Federal Sources	1,584,240		1,584,240
Net Cash Provided/(Used) by Noncapital Financing Activities	1,607,549		1,607,549
Cash Flows Capital & Related Financing Activities:			
Acquisition of Property, Plant & Equipment	(51,630)		(51,630)
Net Cash Provided by/(Used For) Capital Financing Activities	(51,630)		(51,630)
Net Increase/(Decrease) in Cash & Cash Equivalents			
Balances - Beginning of Year	20,787	728,799	749,586
Balances - End of Year	\$11,700	622,901	634,601

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

Operating Income/(Loss)	(\$1,862,221)	(131,079)	(1,993,300)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	40,795	(897)	39,898
Commodities Received	112,185		112,185
Increase/(Decrease) in Unearned Revenue		(6,425)	(6,425)
(Increase)/Decrease in Accounts Receivable, Net	177,412	(14,678)	162,734
(Increase)/Decrease in Inventories	(1,084)		(1,084)
Increase/(Decrease) in Interfund Payable	12,386	47,599	59,985
Increase/(Decrease) in Accounts Payable	(44,479)	(418)	(44,897)
Total Adjustments	297,215	25,181	322,396
Net Cash Provided/(Used) by Operating Activities	(1,565,006)	(105,898)	(1,670,904)

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Internal Service Fund

Not Applicable

H. Fiduciary Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019**

ASSETS	PRIVATE PURPOSE		AGENCY		TOTAL
	SCHOLARSHIP FUND	UNEMPLOYMENT TRUST	STUDENT ACTIVITY	PAYROLL	
Cash & Cash Equivalents	\$38,316	338,514	132,932	380,882	890,644
Interfunds Receivable		14,403			14,403
Total Assets	38,316	352,917	132,932	380,882	905,047
LIABILITIES					
Payroll Deductions & Withholdings				243,359	243,359
Interfunds Payable				137,523	137,523
Due to Student Groups			132,932		132,932
Total Liabilities			132,932	380,882	513,814
NET POSITION					
Unreserved	38,316	352,917			391,233
Total Net Position	\$38,316	352,917	-	-	391,233

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEARS ENDED JUNE 30, 2019**

	PRIVATE PURPOSE			TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	WORKERS COMPENSATION TRUST	
Operating Revenues:				
Contributions	\$77,842		31,156	108,998
Interest on Investments	2,364	56	13	2,433
Total Operating Revenues	<u>80,206</u>	<u>56</u>	<u>31,169</u>	<u>111,431</u>
Operating Expenses:				
Scholarship Payments Expenditures	<u>313,748</u>	<u>1,175</u>	<u>31,169</u>	<u>346,092</u>
Total Operating Expenses	<u>313,748</u>	<u>1,175</u>	<u>31,169</u>	<u>346,092</u>
Change in Net Position	(233,542)	(1,119)		(234,661)
Net Position Beginning of Year	<u>586,459</u>	<u>39,435</u>		<u>625,894</u>
Net Position End of Year	<u><u>\$352,917</u></u>	<u><u>38,316</u></u>		<u><u>391,233</u></u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

	BALANCE JULY 1, 2018	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2019
Memorial Middle School	\$16,304	25,816	27,919	14,201
Senior High School Account:				
Willingboro High School	39,661	65,005	53,653	51,013
General Organization Accounts:				
Gate Receipts	73,088	30,778	38,834	65,032
Twin Hills	2,680	6		2,686
Total	\$131,733	121,605	120,406	132,932

**PAYROLL FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

ASSETS	BALANCE JULY 1, 2018	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2019
Cash & Cash Equivalents	\$739,012	37,632,482	37,990,612	380,882
Total Assets	\$739,012	37,632,482	37,990,612	380,882
LIABILITIES				
Payroll, Deductions & Withholdings	\$521,281	17,483,176	17,761,098	243,359
Net Pay		19,964,804	19,964,804	
Interfunds Payable	217,731	184,502	264,710	137,523
Total Liabilities	\$739,012	37,632,482	37,990,612	380,882

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I. Long Term Debt

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2019**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	BALANCE JUNE 30, 2018	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2019	
			DATE	AMOUNT					
School Renovations	10/21/10	\$27,210,000	3/1/20	1,025,000	3.500%	\$21,210,000	1,000,000	20,210,000	
	3/1/21	1,025,000	3/1/21	1,025,000	3.500%				
	3/1/22	1,050,000	3/1/22	1,050,000	3.500%				
	3/1/23	1,050,000	3/1/23	1,050,000	4.000%				
	3/1/24	1,050,000	3/1/24	1,050,000	4.000%				
	3/1/25	1,075,000	3/1/25	1,075,000	4.000%				
	3/1/26	1,085,000	3/1/26	1,085,000	4.000%				
	3/1/27	1,150,000	3/1/27	1,150,000	4.000%				
	3/1/28	1,175,000	3/1/28	1,175,000	4.000%				
	3/1/29	1,200,000	3/1/29	1,200,000	4.000%				
	3/1/30	1,200,000	3/1/30	1,200,000	4.000%				
	3/1/31	1,225,000	3/1/31	1,225,000	4.125%				
	3/1/32	1,250,000	3/1/32	1,250,000	4.125%				
	3/1/33	1,300,000	3/1/33	1,300,000	4.250%				
	3/1/34	1,400,000	3/1/34	1,400,000	4.250%				
	3/1/35	1,450,000	3/1/35	1,450,000	4.375%				
3/1/36	1,500,000	3/1/36	1,500,000	4.375%					
Total									
							\$21,210,000	1,000,000	20,210,000

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2019**

PURPOSE	DATE OF LEASE	TERM OF LEASE	PRINCIPAL	INTEREST RATE	BALANCE		RETIRE	BALANCE JUNE 30, 2019
					JUNE 30, 2018	ISSUED		
Front Loader with Rail Forks	1/04/18	5 Years	145,551	3.500%	116,319		27,573	88,746
F350 Ford Trucks	9/14/18	5 Years	79,894	6.700%		79,894	18,036	61,858

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARATIVE SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2019**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES:					
Local Sources:					
Local Tax Levy	\$1,848,807		1,848,807	1,848,807	
Total Sources	1,848,807		1,848,807	1,848,807	
Total Revenues	1,848,807		1,848,807	1,848,807	
EXPENDITURES:					
Regular Debt Service:					
Interest	848,807		848,807	848,807	
Redemption of Principal	1,000,000		1,000,000	1,000,000	
Total Regular Debt Service	1,848,807		1,848,807	1,848,807	
Total Expenditures	1,848,807		1,848,807	1,848,807	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures					
Fund Balance, July 1	3		3	3	
Fund Balance, June 30	\$3	-	3	3	-

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J. STATISTICAL SECTION

(Unaudited)

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

FISCAL YEAR ENDING JUNE 30,

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities:										
Invested in Capital Assets,										
Net of Related Debt	\$32,379,479	35,165,194	37,303,837	38,925,358	42,580,263	43,042,713	24,201,517	12,400,550	11,945,109	11,492,941
Restricted	7,627,991	4,779,636	5,239,338	4,521,274	2,183,129	8,843,115	31,045,537	44,872,535	42,502,220	1,580,009
Unrestricted	(23,053,957)	(22,492,421)	(23,029,118)	(22,831,262)	(23,434,144)	(3,176,483)	(3,287,552)	(2,698,210)	(2,728,235)	36,607,677
Total Governmental Activities	\$16,953,513	17,452,409	19,514,057	20,615,370	21,329,248	48,709,345	51,959,502	54,574,875	51,719,094	49,680,627
Business-Type Activities:										
Invested in Capital Assets,										
Net of Related Debt	\$172,412	161,577	135,181	108,403	145,000	194,797	199,304	197,109	137,171	127,214
Unrestricted	254,615	539,016	715,268	923,052	986,863	1,044,797	777,766	586,500	526,227	516,232
Total Business-Type Activities	\$427,027	700,593	850,449	1,031,455	1,131,863	1,239,594	977,070	783,609	663,398	643,446
District-Wide:										
Invested in Capital Assets,										
Net of Related Debt	\$32,551,891	35,326,771	37,439,018	39,033,761	42,725,263	43,237,510	24,400,821	12,597,659	12,082,280	11,620,155
Restricted	7,627,991	4,779,636	5,239,338	4,521,274	2,183,129	8,843,115	31,045,537	44,872,535	42,502,220	1,580,009
Unrestricted	(22,799,342)	(21,953,405)	(22,313,850)	(21,908,210)	(22,447,281)	(2,131,686)	(2,509,786)	(2,111,710)	(2,202,008)	37,123,909
Total District Net Position	\$17,380,540	18,153,002	20,364,506	21,646,825	22,461,111	49,948,939	52,936,572	55,358,484	52,382,492	50,324,073

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
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
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$19,502,046	19,545,096	18,814,343	18,327,823	19,912,898	19,232,099	20,698,772	20,095,654	20,998,139	22,158,920
Special Education	4,572,362	4,662,438	4,756,051	4,740,486	4,769,972	4,899,892	4,927,192	4,717,371	5,121,749	5,438,672
Other Special Instruction				120,667	185,893	185,793	183,048	177,808	486,587	1,201,065
Other Instruction	1,626,900	1,704,901	1,573,121	1,703,235	1,707,254	1,900,528	1,743,985	1,655,802	650,807	901,302
Support Services & Undistributed Costs:										
Tuition	9,425,976	9,240,020	9,204,236	8,822,569	8,533,377	8,976,905	7,750,923	8,470,655	7,618,065	7,565,689
Attendance & Social Work Services	419,316	347,188	367,247	283,368	306,498	257,992	195,888	284,406	187,375	274,889
Health Services	635,730	680,830	734,973	829,075	722,870	660,860	653,572	528,349	591,926	662,385
Student & Instruction Related Services	6,493,242	6,056,523	5,131,256	5,489,180	5,133,102	5,124,745	5,527,971	4,538,191	5,176,799	5,252,117
Educational Media Services/School Library	690,335	850,840	726,244	715,930	707,546	740,030	725,045	646,765	652,585	652,260
Instructional Staff Training	863,095	689,211	422,770	444,889	342,053	423,091	766,033	742,191	861,943	1,516,250
School Administrative Services	1,028,749	1,254,434	1,809,631	1,851,657	1,800,316	1,794,520	1,380,671	1,252,085	1,548,734	548,526
Other Administrative Services	1,937,827	2,375,692	2,775,031	2,584,173	2,651,799	2,723,802	2,795,710	2,736,892	2,667,609	2,786,740
Central Services	1,021,596	931,841	1,080,151	1,021,087	1,056,532	851,409	1,028,021	978,575	934,498	1,096,668
Plant Operations & Maintenance	7,986,610	7,446,979	7,083,496	7,071,093	6,680,487	6,914,269	6,603,228	6,505,589	6,573,041	7,516,162
Pupil Transportation	4,358,558	3,792,039	3,743,123	3,600,282	3,299,721	2,935,174	2,695,351	2,632,333	2,869,326	2,600,105
Business & Other Support Services										
Unallocated Benefits	19,336,233	19,502,497	18,461,752	17,016,392	15,883,337	15,342,429	16,201,730	14,915,430	13,418,936	15,561,788
Special Schools									38,116	39,458
Transfer to Charter School	5,572,783	2,966,373	2,590,757	2,315,252	2,152,031	2,255,554	1,785,158	184,160	126,776	96,668
Scholarship Awarded	1,175	625	724	1,448	1,800	3,090	4,250	7,215	1,800	2,207
Nonbondable Capital Assets	1,348,636	62,315	95,311	106,609	85,291	25,569	6,961	42,581	48,873	
Cancellation of Grant Receivable	1,410,000				3,501,963					
Interest on Long-Term Debt	865,139	866,546	864,887	956,156	994,150	994,798	1,024,961	1,050,495	691,034	56,735
Increase in Pension Liability		402,625	1,621,272	519,646						
Increase in Other Liability					2,414,016					
Increase/(Reduction) of Compensated Absences Liability	50,887		236,477		587,311		259,402	(615,793)	256,659	(55,885)
Loss on Disposal of Fixed Assets		3,801,518	3,866,395	3,575,476	4,066,685	3,518,186	2,664,512	1,201,544	1,257,654	1,215,858
Unallocated Depreciation	2,032,707									
Total Governmental Activities Expenses	91,179,902	87,180,531	85,722,771	82,332,970	87,496,902	79,760,735	79,622,384	72,748,298	72,970,477	77,088,579

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
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:										
Food Service	2,274,361	2,385,185	2,389,685	2,054,790	1,872,408	1,852,816	1,889,154	1,948,729	1,851,311	1,856,766
Day Care	732,106	750,547	696,695	883,586	835,483	637,742	602,796	635,162	729,033	1,001,522
Total Business-Type Activities Expense	3,006,467	3,135,732	3,086,380	2,938,376	2,707,891	2,490,558	2,491,950	2,583,891	2,580,344	2,858,288
Total District Expenses	\$94,186,369	90,316,263	88,809,151	85,271,346	90,204,793	82,251,293	82,114,334	75,332,189	75,550,821	79,946,867
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$14,265,509	11,909,513	11,005,743	8,111,392	9,438,459	9,698,718	11,626,744	9,201,768	10,565,238	9,869,771
Total Governmental Activities Program Revenues	14,265,509	11,909,513	11,005,743	8,111,392	9,438,459	9,698,718	11,626,744	9,201,768	10,565,238	9,869,771
Business-Type Activities:										
Charges for Services:										
Food Service	412,140	509,012	520,232	514,140	486,827	488,056	504,137	523,662	604,756	627,010
Day Care	601,027	704,908	738,004	768,968	753,344	735,848	730,143	787,170	802,192	795,896
Operating Grants & Contributions	1,719,734	1,771,956	1,647,138	1,554,860	1,535,995	1,528,816	1,451,006	1,393,254	1,192,841	1,115,823
Total Business Type Activities Program Revenues	2,732,901	2,985,876	2,905,374	2,837,968	2,776,166	2,752,720	2,685,286	2,704,086	2,599,789	2,538,729
Total District Program Revenues	\$16,998,410	14,895,389	13,911,117	10,949,360	12,214,625	12,451,438	14,312,030	11,905,854	13,165,027	12,408,500
Net (Expense)/Revenue:										
Governmental Activities	(\$76,914,393)	(75,271,018)	(74,717,028)	(74,221,578)	(78,058,443)	(70,062,017)	(67,995,640)	(63,546,530)	(62,405,239)	(67,218,808)
Business-Type Activities	(273,566)	(149,856)	(181,006)	(100,408)	68,275	262,162	193,336	120,195	19,445	(319,559)
Total District-Wide Net Expense	(\$77,187,959)	(75,420,874)	(74,898,034)	(74,321,986)	(77,990,168)	(69,799,855)	(67,802,304)	(63,426,335)	(62,385,794)	(67,538,367)

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
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
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$31,666,507	30,459,993	29,862,738	28,168,680	26,297,476	25,290,271	24,794,383	24,794,383	26,257,482	26,217,183
Taxes Levied for Debt Service	1,848,807	1,857,932	1,866,182	1,847,682	1,818,652	1,805,432	1,807,556	2,135,271	705,385	590,084
Unrestricted Grants & Contributions	40,349,118	39,335,426	39,275,700	41,105,434	39,067,201	38,720,192	38,040,478	38,806,675	36,894,851	80,299,314
Tuition	508,030	132,863	208,462	567,078	168,510	286,014	221,579	255,484	259,103	650,655
Miscellaneous Income	513,233	233,218	545,782	855,465	752,008	625,141	516,271	410,498	326,885	1,219,302
Transfers	766,112	270,756	374,500	400,000	8,778					
Decrease in Pension Liability	88,690				26,862					
Decrease in Other Liability	675,000	675,000	675,000	389,017						
Decrease in Compensated Absences Liability		244,182	807,351			84,810				
Total Governmental Activities	76,415,497	73,209,370	73,615,715	73,333,356	68,139,487	66,811,860	65,380,267	66,402,311	64,443,706	108,976,538
Business-Type Activities:										
Investment Earnings					369	362	125	16	507	2,453
Transfers										
Total Business-Type Activities					369	362	125	16	507	2,453
Total District-Wide	\$76,415,497	73,209,370	73,615,715	73,333,356	68,139,856	66,812,222	65,380,392	66,402,327	64,444,213	108,978,991
Change in Net Position:										
Governmental Activities	(\$498,896)	(2,061,648)	(1,101,313)	(888,222)	(9,918,956)	(3,250,157)	(2,615,373)	2,855,781	2,038,467	41,757,730
Business-Type Activities	(273,566)	(149,856)	(181,006)	(100,408)	68,644	262,524	193,461	120,211	19,952	(317,106)
Total District	(\$772,462)	(2,211,504)	(1,282,319)	(988,630)	(9,850,312)	(2,987,633)	(2,421,912)	2,975,992	2,058,419	41,440,624

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
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:										
Reserved	\$7,206,397	4,675,678	5,134,812	4,412,567	3,104,351	3,695,320	4,848,410	5,651,387	3,321,588	1,837,465
Unreserved	(1,288,410)	(681,069)	(748,719)	(1,755,981)	(1,729,155)	(1,573,818)	(1,589,444)	(1,272,801)	(1,032,750)	(1,921,954)
Total General Fund	\$5,917,987	3,994,609	4,386,093	2,656,586	1,375,196	2,121,502	3,258,966	4,378,586	2,288,838	(84,489)
All Other Governmental Funds:										
Unreserved, Reported in:										
Special Revenue Fund	383,275	64,520	64,520	68,020	6,196,885	13,758,372	28,168,838	49,449,681	62,802,621	40,142,835
Capital Projects Fund	3	3	3	2	1	2	2	2	2	2
Debt Service Fund	38,316	39,435	40,003	40,685	42,096	43,532	46,312	50,482	57,596	56,609
Permanent Fund										
Total All Other Governmental Funds	\$421,594	103,958	104,526	108,707	6,238,982	13,801,906	28,215,152	49,360,387	62,860,219	40,199,446

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
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	\$33,515,314	32,317,925	31,728,920	30,016,362	28,116,128	27,095,703	26,601,939	26,929,654	26,962,867	26,807,267
Tuition Charges	508,030	132,863	208,462	567,078	168,510	286,014	221,579	255,484	259,103	650,655
Miscellaneous	453,252	247,945	543,440	873,356	755,381	633,813	539,231	415,900	341,603	487,309
State Sources	51,571,823	48,798,428	47,599,787	47,020,944	46,055,646	45,627,220	45,611,272	44,097,328	43,283,806	80,066,616
Federal Sources	3,032,402	2,431,784	2,675,058	2,177,991	2,446,641	2,783,018	4,053,882	3,905,713	4,161,565	10,094,364
Total Revenue	89,080,821	83,928,945	82,755,667	80,655,731	77,542,306	76,425,768	77,027,903	75,604,079	75,008,944	118,106,211
Expenditures:										
Instruction	25,701,308	25,914,725	25,253,515	24,997,211	26,676,017	26,218,312	27,552,997	26,646,635	27,257,282	29,699,959
Undistributed Expenditures	54,197,267	53,172,378	51,547,294	49,761,235	47,147,945	46,774,348	46,324,143	44,231,461	43,539,391	48,983,595
Special Schools									38,116	39,458
Capital Outlay	1,764,962	679,720	155,310	6,981,789	4,553,127	14,919,742	22,318,654	13,809,421	4,801,533	887,483
Debt Service	1,848,807	1,857,932	1,866,181	1,847,681	1,827,431	1,805,432	1,807,556	2,135,271	1,228,500	1,182,438
Expendable Trusts	1,175	625	724	1,448	1,800	3,090	4,250	7,215	1,800	2,207
Total Expenditures	83,513,519	81,625,380	78,823,024	83,589,364	80,206,320	89,720,924	98,007,600	86,830,003	76,866,622	80,795,140
Excess (Deficiency) of Revenues Over/(Under) Expenditures	5,567,302	2,303,565	3,932,643	(2,933,633)	(2,664,014)	(13,295,156)	(20,979,697)	(11,225,924)	(1,857,678)	37,311,071
Other Financing Sources/(Uses):										
Cancellation of Prior Year Accounts Receivable					(3,501,963)				(191,446)	
Proceeds from Capital Leases							500,000		27,210,000	218,302
Loan/Bond Proceeds	1,410,000									
Snow Storm Reimbursement - FEMA	70,383		8,940							
Transfers in	766,112	270,756	374,500	400,000	8778					740,098
Transfers Out	(5,572,783)	(2,966,373)	(2,590,757)	(2,315,252)	(2,152,031)	(2,255,554)	(1,785,158)	(184,160)	(126,776)	(96,668)
Total Other Financing Sources/(Uses)	(3,326,288)	(2,695,617)	(2,207,317)	(1,915,252)	(5,645,216)	(2,255,554)	(1,285,158)	(184,160)	26,891,778	861,732
Net Change in Fund Balances	\$2,241,014	(392,052)	1,725,326	(4,848,885)	(8,309,230)	(15,550,710)	(22,264,855)	(11,410,084)	25,034,100	38,172,803
Debt Service as a Percentage of Noncapital Expenditures	2.3%	2.3%	2.4%	2.5%	2.5%	2.5%	2.4%	3.0%	1.7%	1.5%

Source: District records

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

FISCAL YEAR ENDED JUNE 30,	TUITION	INTEREST ON INVESTMENTS	MISCELLANEOUS	TOTAL
2019	\$508,030	107,601	335,193	950,824
2018	132,863	53,755	179,406	366,024
2017	208,462	19,367	517,433	745,262
2016	567,078	13,585	841,843	1,422,506
2015	168,510	1,099	750,545	920,154
2014	286,014	448	624,383	910,845
2013	221,579	7,657	529,426	758,662
2012	255,484	21,037	389,360	665,881
2011	259,103	38,303	285,795	583,201
2010	650,655	17,853	460,918	1,129,426

Source: District records

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENTS	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2019	\$10,143,700	1,692,667,900	393,400	5,900	130,513,200	9,583,400	29,255,000	1,872,562,500	100	1,872,562,600	1.824	1,896,265,923
2018	10,143,700	1,692,477,800	393,400	6,000	131,648,000	9,583,400	29,256,000	1,873,508,300	100	1,873,508,400	1.789	1,857,901,925
2017	10,998,300	1,695,275,900	393,400	6,000	131,693,800	9,583,400	24,879,100	1,872,829,900	100	1,872,830,000	1.726	1,763,440,845
2016	13,364,000	1,702,680,000	393,400	6,000	124,683,600	9,583,400	19,766,000	1,870,476,400	100	1,870,476,500	1.697	1,754,858,163
2015	13,330,300	1,705,521,000	393,400	6,000	132,203,100	10,763,000	15,253,000	1,877,469,800	100	1,877,469,900	1.599	1,877,469,900
2014	14,347,100	1,709,403,800	303,400	1,600	124,962,100	10,763,000	15,253,000	1,875,034,000	2,704,674	1,877,738,674	1.498	1,794,270,588
2013	14,520,400	1,714,630,100	303,400	7,700	130,035,040	10,763,000	15,253,000	1,885,512,640	2,404,764	1,887,917,404	1.435	1,856,932,301
2012	14,856,300	1,721,819,400	303,400	7,700	133,318,440	10,763,000	13,897,900	1,894,966,140	4,811,566	1,899,777,706	1.400	1,946,351,716
2011	15,190,100	1,730,962,800	422,400	7,700	136,527,240	11,830,900	13,043,900	1,907,985,040	4,798,164	1,912,783,204	1.408	2,155,725,577
2010	16,578,700	1,738,859,600	428,100	2,000	149,685,420	11,901,600	13,929,000	1,931,384,420	5,657,093	1,937,041,513	1.392	1,988,829,412

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

a. Tax rates are per \$100

* Revaluation

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

FISCAL YEAR ENDED JUNE 30,	<u>SCHOOL DISTRICT DIRECT RATE</u>		<u>OVERLAPPING RATES</u>		TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF WILLINGBORO	BURLINGTON COUNTY	
2019	1.824	1.824	1.753	0.335	3.912
2018	1.789	1.789	1.718	0.336	3.843
2017	1.726	1.726	1.713	0.353	3.792
2016	1.697	1.697	1.705	0.352	3.754
2015	1.599	1.599	1.665	0.361	3.625
2014	1.498	1.498	1.619	0.334	3.451
2013	1.435	1.435	1.560	0.343	3.338
2012	1.400	1.400	1.497	0.354	3.251
2011	1.408	1.408	1.469	0.367	3.244
*2010	1.392	1.392	1.416	0.393	3.201

Source: Municipal Tax Collector

* Revaluation 2010

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2019	\$31,666,507	31,666,507	100.00%
2018	30,459,993	30,459,993	100.00%
2017	29,862,738	29,862,738	100.00%
2016	28,168,680	28,168,680	100.00%
2015	26,297,476	26,297,476	100.00%
2014	25,290,271	25,290,271	100.00%
2013	24,794,383	24,794,383	100.00%
2012	24,794,383	24,794,383	100.00%
2011	26,962,867	26,962,867	100.00%
2010	26,807,267	26,807,267	100.00%

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

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2019	\$20,210,000	150,604		20,360,604	N/A
2018	21,210,000	116,319		21,326,319	N/A
2017	22,185,000	28,371		22,213,371	372.34
2016	23,135,000	171,195		23,306,195	405.54
2015	24,035,000	307,735		24,342,735	434.54
2014	24,885,000	438,042		25,323,042	473.43
2013	25,685,000	500,000		26,185,000	508.49
2012	26,460,000	234,000		26,694,000	523.19
2011	27,210,000	376,000		27,586,000	552.04
2010	1,200,000	511,000		1,711,000	35.37

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

FISCAL YEAR ENDED JUNE 30,	<u>GENERAL BONDED DEBT OUTSTANDING</u>		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2018	\$20,210,000	20,210,000	1.08%	N/A
2017	21,210,000	21,210,000	1.13%	355.52
2016	22,185,000	22,185,000	1.19%	386.03
2015	23,135,000	23,135,000	1.23%	412.98
2014	24,035,000	24,035,000	1.28%	449.34
2013	24,885,000	24,885,000	1.32%	483.24
2012	25,685,000	25,685,000	1.35%	503.41
2011	26,460,000	26,460,000	1.38%	529.51
2010	27,210,000	27,210,000	1.40%	562.48
2009	1,200,000	1,200,000	0.11%	25.19

**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:			
Township of Willingboro	\$43,039,856	100.000%	\$43,039,856
Burlington County	253,458,314	3.862%	<u>9,788,560</u>
Subtotal, Overlapping Debt			52,828,416
Willingboro Township Board of Education			<u>20,210,000</u>
Total Direct & Overlapping Debt			<u><u>\$73,038,416</u></u>

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

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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt Limit	\$72,550,745	71,156,503	70,343,481	70,885,431	72,266,310	74,854,360	81,639,549	86,543,093	86,195,938	83,322,599
Total Net Debt Applicable to Limit	20,210,000	21,210,000	22,185,000	23,135,000	24,035,000	24,885,000	25,685,000	27,210,000	1,200,000	2,300,000
Legal Debt Margin	\$52,340,745	49,946,503	48,158,481	47,750,431	48,231,310	49,969,360	55,954,549	59,333,093	84,995,938	81,022,599
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	27.86%	29.81%	31.54%	32.64%	33.26%	33.24%	31.46%	31.44%	1.39%	2.76%

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized Valuation Basis	
2018	\$1,857,901,925
2017	1,830,544,426
2016	1,752,859,526
	<u>\$5,441,305,877</u>
Average Equalized Valuation of Taxable Property	<u>\$1,813,768,626</u>
Debt Limit (4 % of Average Equalization Value)	\$72,550,745
Net Bonded School Debt	<u>20,210,000</u>
Legal Debt Margin	<u>\$52,340,745</u>

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

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

YEAR	POPULATION (a)	BURLINGTON	UNEMPLOYMENT
		COUNTY	
		PER CAPITA	RATE
		INCOME	
2018	31,887	N/A	5.40%
2017	31,875	59,659	5.80%
2016	31,551	57,469	6.20%
2015	31,075	56,020	7.40%
2014	31,268	53,489	9.00%
2013	31,358	51,496	11.20%
2012	31,563	51,022	12.30%
2011	31,591	49,971	9.10%
2010	31,631	48,375	10.90%
2009	36,284	47,631	10.50%

Source:

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

EXHIBIT J-15 NOT AVAILABLE

EXHIBIT J-16 NOT AVAILABLE

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

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2018	3,915	\$79,898,575	20,408	-10.77%	295	11.8/1	3,323	3,067	-4.62%	-5.37%
2018	3,458	79,087,103	22,871	6.52%	308	11.4/1	3,484	3,241	-4.23%	-4.51%
2017	3,577	76,800,809	21,471	-8.21%	299	18.9/1	3,638	3,394	-0.71%	-1.02%
2016	3,196	74,758,446	23,391	40.30%	319	10/1	3,664	3,429	-2.01%	-1.18%
2015	4,428	73,823,962	16,672	-12.91%	358	12/1	3,739	3,470	-4.18%	-3.74%
2014	3,813	72,992,660	19,143	12.33%	308	12.4/1	3,902	3,605	-8.15%	-13.40%
2013	4,335	73,877,140	17,042	-1.32%	391	9.4/1	4,248	4,163	8.45%	8.44%
2012	4,104	70,878,096	17,270	8.20%	420	9.5/1	3,917	3,839	-9.93%	-9.92%
2011	4,438	70,834,789	15,961	-7.18%	408	10.8/1	4,349	4,262	-3.05%	-3.07%
2010	4,578	78,723,012	17,196	27.54%	466	9.8/1	4,486	4,397	-2.20%	-2.20%

Sources: District records

Note: Enrollment based on annual October district count.

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

EXHIBIT J-18 NOT AVAILABLE

EXHIBIT J-19

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

SCHOOL FACILITIES	PROJECT #	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Willingboro High School	N/A	\$293,814	\$321,867	241,111	217,248	220,404	226,216	217,404	\$258,094	215,492	317,431
Memorial Junior High School	N/A	205,236	224,832	168,421	151,752	153,958	158,017	151,862	180,284	150,526	221,733
Sydney W. Bookbinder Elementary School	N/A	75,827			56,067						
Garfield Park East Elementary School	N/A	66,467	72,813	54,544	49,146	48,988	50,279	48,321	58,386	47,896	70,553
Hawthorne Park Elementary School	N/A	75,827	83,068	62,226	56,067	42,756	43,883	42,174	66,609	41,803	61,578
WR James Elementary School	N/A	75,827	83,068	62,226	56,067	57,720	59,241	56,934	66,609	56,433	83,129
Joseph A. McGinley Elementary School	N/A	75,827			56,067						
Twin Hills Elementary School	N/A	66,224	72,547	54,345	48,966	55,192	56,647	54,441	58,173	53,962	79,489
Country Club Administrative Building	N/A	79,805	54,560	40,871	36,826	35,648	36,588	35,163	43,750	34,854	51,342
District Warehouse & Garage	N/A	23,234	25,453	24,029	17,180	48,414	49,691	47,755	20,410	47,335	69,727
J. Cresswell Stuart Elementary	N/A	79,331	86,905	65,101	58,658	58,421	59,961	57,625	69,686	57,119	84,139
Levitt Middle School	N/A	122,828	134,556	132,407		92,139	94,568	90,885	107,895	90,086	132,700
Grand Total		\$1,240,247	1,159,669	905,281	804,044	813,640	835,091	802,564	929,896	795,506	1,171,821

Source: District records

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2019**

	COVERAGE	DEDUCTIBLE
Property: Real, Personal Property & Valuable Papers	\$500,000,000	2,500
Increased Cost of Construction	25,000,000	Included
Earthquake	25,000,000	Included
Flood	10,000,000	Included
Extra Expense	50,000,000	Included
Loss of Rents	500,000	Included
Cyber & Electronic Data Processing	2,000,000	Included
 Boiler & Machinery:		
Equipment Breakdown	100,000,000	2,500
 Blanket Faithful Performance	500,000	1,000
Money & Securities	50,000	1,000
 Bonds:		
Board Secretary	400,000	
Treasurer	400,000	

Source: District records.

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SINGLE AUDIT SECTION



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

EXHIBIT K-1

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

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

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Willingboro Township School District, in the County of Burlington, State of New Jersey as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Willingboro Township School District's basic financial statements, and have issued my report thereon dated December 3, 2019.

Internal Control Over Financial Reporting

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

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 than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. I did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-02 that I considered to be material weaknesses.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Willingboro Township School District Board of Education's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed two 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 and which are described in the accompanying schedule of findings and questioned costs as items 2019-01 and 2019-03.

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

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

Purpose of this Report

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

Respectfully submitted,



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

Cinnaminson, New Jersey
November 3, 2019



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

EXHIBIT K-2

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

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

Report on Compliance for Each Major Federal and State Program

I have audited the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of Willingboro Township School District's major federal or state programs for the year ended June 30, 2019. Willingboro Township School District's major federal or state programs are identified in the *Summary of Auditor's Results Section* of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Basis for Qualified Opinion on Equalization Aid

As described in the accompanying schedule of findings and questioned costs, the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey, did not comply with requirements regarding the Equalization Aid state program and associated finding number matched to the types of compliance requirements as described in finding numbers 2019-01 2019-02 for Special Test and Provisions. Compliance with such requirements is necessary, in my opinion, for the Board of Education of the Willingboro Township School District to comply with the requirements applicable to that program.

Qualified Opinion on Equalization Aid

In my opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Equalization Aid state program for the year ended June 30, 2019.

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

In my opinion, the Willingboro Township School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2019.

Other Matters

The results of my auditing procedures disclosed no other instances of noncompliance, which is required to be reported in accordance with the Uniform Guidance. My opinion on each major federal and state program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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

My consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be

material weakness or significant deficiencies and therefore, material weakness or significant deficiencies may exist that have not been identified. However, as discussed below, I did identify a deficiency in internal control over compliance that I consider to be a material weakness.

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. I consider certain deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2019-02 to be a material weakness.

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

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

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

I have audited the financial statements of the Willingboro Township School District as of and for the year ended June 30, 2019, and have issued my report thereon dated December 3, 2019, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,



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

Cinnaminson, New Jersey
December 3, 2019

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WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAIN NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2019	UNEARNED REVENUE AT JUNE 30, 2019	DUE TO GRANTOR JUNE 30, 2019
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:														
Food Distribution Program	10.555	191NJ304N1099	N/A	\$112,185	7/1/18-6/30/19			112,185	(112,185)					
After School Snack Program	10.555	181NJ304N1099	N/A	54,106	7/1/17-6/30/18	(\$10,923)		10,923						
After School Snack Program	10.555	191NJ304N1099	N/A	59,984	7/1/18-6/30/19			47,117	(59,984)		(12,867)			
School Breakfast Program	10.553	181NJ304N1099	N/A	444,611	7/1/17-6/30/18	(131,089)		131,089						
School Breakfast Program	10.553	191NJ304N1099	N/A	384,986	7/1/18-6/30/19			311,616	(384,986)		(73,370)			
National School Lunch HHFKA	10.555	181NJ304N1099	N/A	26,222	7/1/17-6/30/18	(5,992)		5,992						
- PB Lunch Program	10.555	191NJ304N1099	N/A	25,946	7/1/18-6/30/19			21,073	(25,946)		(4,873)			
- PB Lunch Program	10.555	181NJ304N1099	N/A	1,131,466	7/1/17-6/30/18	(267,099)		267,099						
National School Lunch Program	10.555	191NJ304N1099	N/A	1,139,270	7/1/18-6/30/19			924,374	(1,139,270)		(214,896)			
						(415,103)		1,831,468	(1,722,371)		(306,006)			

Total U.S. Department of Agriculture

U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAIN NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2019	UNEARNED REVENUE AT JUNE 30, 2019	DUE TO GRANTOR JUNE 30, 2019
Special Revenue														
Title I - Part A	84.010	S010A170030	NCLB5805-18	930,910	7/1/17-6/30/18	(557,546)		557,546						
Title I - Part A	84.010	S010A180030	NCLB5805-19	896,801	7/1/18-6/30/19			331,753	(1,008,206)		(676,453)			
Title I - SIA Part A	84.010	S010A180030	NCLB5805-19	196,386	7/1/18-6/30/19			139,826	(338,578)		(198,752)			
Title I - Reallocated	84.010	S010A180030	NCLB5805-19	84,864	2/1/19-9/30/19				(8,210)		(8,210)			
Title II - Part A	84.367A	S367A170029	NCLB5805-18	159,419	7/1/17-6/30/18	(55,280)		55,016		264				
Title II - Part A	84.367A	S367A180029	NCLB5805-19	196,066	7/1/18-6/30/19			146,435	(228,761)		(82,326)			
Title III	84.365	S365A170030	NCLB5805-18	11,731	7/1/17-6/30/18	(7,752)		7,752						
Title IV	84.424	S424A170031	NCLB5805-18	11,504	7/1/17-6/30/18	(485)		485						
I.D.E.A. Preschool	84.173	S173A170114	PS5805-18	34,622	7/1/17-6/30/18	(8,640)		8,640						
I.D.E.A. Preschool	84.173	S173A180114	PS5805-19	35,336	7/1/18-6/30/19			13,189	(58,964)		(45,775)			
I.D.E.A. B - Basic	84.027	S027A170100	IDEA580518	1,189,932	7/1/17-6/30/18	(404,656)		404,656						
I.D.E.A. B - Basic	84.027	S027A180100	IDEA580519	1,184,741	7/1/18-6/30/19			278,698	(1,222,823)		(944,125)			

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAIN NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2019	UNEARNED REVENUE AT JUNE 30, 2019	DUE TO GRANTOR JUNE 30, 2019
Special Revenue (continued):														
Carl D. Perkins Vocational	84-048	S048A170030	PERK580518	14,706	7/1/17-6/30/18	(10,647)		10,647						
21st Century CLC	84-287C	S287C150030	10-EK05-H14	535,000	9/1/13-8/31/14	(6,398)					(6,398)			
ROTC	12-999	N/A	N/A	56,321	7/1/11-6/30/13	(4,147)					(4,147)			
Total U.S. Department of Education						(1,055,551)		1,954,643	(2,865,542)	264	(1,966,186)			
General Fund:														
Medical Assistance Program (SEMI)	93-778	1705N15MAP	N/A	166,860	7/1/18-6/30/19			166,860	(166,860)					
Total General Fund								166,860	(166,860)					
Total Federal Financial Assistance						(51,470,654)		3,952,971	(4,754,773)	264	(2,272,192)			

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	INTER- GOVERNMENTAL (ACCOUNTS RECEIVABLE) AT JUNE 30, 2019	UNEARNED REVENUE/ INTERFUND PAYABLE AT JUNE 30, 2019	DUE TO GRANTOR JUNE 30, 2019	MEMO	
													BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:														
General Fund:														
Equalization Aid	19-495-034-5120-078	\$34,408,654	7/1/18-6/30/19			34,408,654	(34,408,654)						(3,508,609)	34,408,654
Transportation Aid	19-495-034-5120-014	1,015,853	7/1/18-6/30/19			1,015,853	(1,015,853)						(93,983)	1,015,853
Special Education Aid	19-495-034-5120-089	2,391,334	7/1/18-6/30/19			2,391,334	(2,391,334)						(221,237)	2,391,334
Security Aid	19-495-034-5120-084	1,086,670	7/1/18-6/30/19			1,086,670	(1,086,670)						(93,879)	1,086,670
Extraordinary Aid	18-495-034-5120-044	823,372	7/1/17-6/30/18	(823,372)			(1,041,004)			(1,041,004)				1,041,004
PARCC Readiness	19-495-034-5120-098	38,910	7/1/18-6/30/19			38,910	(38,910)							38,910
Per Pupil Growth Aid	19-495-034-5120-097	38,910	7/1/18-6/30/19			38,910	(38,910)							38,910
Professional Learning Community Aid	19-495-034-5120-101	36,830	7/1/18-6/30/19			36,830	(36,830)							36,830
Nonpublic Transportation	18-100-034-5120-068	70,213	7/1/17-6/30/18	(70,213)			(60,335)			(60,335)				60,335
Nonpublic Transportation	19-100-034-5120-068	60,335	7/1/18-6/30/19				(4,559,487)							4,559,487
On-Behalf TPAF Pension	19-495-034-5094-002	4,559,487	7/1/18-6/30/19			4,559,487	(2,068,176)							2,068,176
Contributions (Nonbudgeted)	19-495-034-5094-001	2,068,176	7/1/18-6/30/19			2,068,176	(2,569)							2,569
Medical (Nonbudgeted)	19-495-034-5094-004	2,569	7/1/18-6/30/19			2,569	(88,746)							88,746
On-Behalf TPAF Pension & Annuity	18-495-034-5094-003	1,776,087	7/1/17-6/30/18	(88,746)			1,663,256			(85,053)				1,748,309
Fund Non-Contributory Insurance	19-495-034-5094-003	1,748,309	7/1/18-6/30/19			1,663,256	(1,748,309)							1,748,309
Reimbursed TPAF Social Security														
Contributions (Nonbudgeted)														
Reimbursed TPAF Social Security														
Contributions (Nonbudgeted)														
Total General Funds				(982,331)		48,292,980	(48,497,041)			(1,186,392)			(3,917,708)	48,497,041
Special Revenue Fund:														
Preschool Education	18-495-034-5120-086	2,583,089	7/1/17-6/30/18	817,679	(817,679)									
Preschool Education	19-495-034-5120-086	3,515,600	7/1/18-6/30/19		817,679	3,515,600	(3,202,712)				1,130,567	1,562		3,202,712
Green Technology	15-AG85-G06	6,000	2/1/14-1/31/15	1,562										
NJ Nonpublic Aid:														
Security	18-100-034-5120-509	11,025	7/1/17-6/30/18	1,909					(1,909)					
Security	19-100-034-5120-509	21,150	7/1/18-6/30/19			21,150	(8,416)					12,734		8,416
Speech	18-100-034-5120-068	24,106	7/1/17-6/30/18	10,982					(10,982)					
Speech	19-100-034-5120-068	20,534	7/1/18-6/30/19			20,534	(2,678)					17,856		2,678
Examination & Classification	18-100-034-5120-068	22,208	7/1/17-6/30/18	364					(364)					
Examination & Classification	19-100-034-5120-068	16,930	7/1/18-6/30/19			16,930	(14,384)					2,546		14,384
Compensatory Education	18-100-034-5120-067	73,525	7/1/17-6/30/18	19,225					(19,225)					
Compensatory Education	19-100-034-5120-067	68,528	7/1/18-6/30/19			68,528	(59,812)					8,716		59,812
Textbook Aid	18-100-034-5120-064	8,053	7/1/17-6/30/18	1,660					(1,660)					
Textbook Aid	19-100-034-5120-064	7,530	7/1/18-6/30/19			7,530	(7,374)					156		7,374
Nursing Aid	19-100-034-5120-070	13,677	7/1/18-6/30/19			13,677	(13,677)							13,677
Technology Initiative	18-100-034-5120-068	5,439	7/1/17-6/30/18	3,145					(3,145)					
Technology Initiative	19-100-034-5120-068	5,076	7/1/18-6/30/19			5,076	(4,195)					881		4,195
ESL	18-100-034-5120-067	4,517	7/1/17-6/30/18	4,517					(4,517)					
ESL	19-100-034-5120-067	3,451	7/1/18-6/30/19			3,451			(4,837)			3,451		
Supplementary Instruction	18-100-034-5120-068	15,462	7/1/17-6/30/18	4,837					(4,837)					
Supplementary Instruction	19-100-034-5120-068	13,480	7/1/18-6/30/19			13,480						13,480		
Home Instruction	18-100-034-5120-068	725	7/1/17-6/30/18	(725)										
Home Instruction	19-100-034-5120-068	1,954	7/1/18-6/30/19			725	(1,954)							1,954
Total Special Revenue Funds				865,155		3,686,681	(3,315,202)		(46,639)	(1,954)	1,130,567	61,382		3,315,202

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2019	UNEARNED REVENUE/ INTERFUND PAYABLE AT JUNE 30, 2019	DUE TO GRANTOR JUNE 30, 2019	MEMO CUMULATIVE TOTAL EXPENDITURES	
State Department of Agriculture: Enterprise Fund:													
National School Lunch Program	18-100-010-3350-023	23,567	7/1/17-6/30/18	(5,400)	5,400								
National School Lunch Program	19-100-010-3350-023	23,309	7/1/18-6/30/19		18,930	(23,309)		(4,379)				23,309	
Total Enterprise Funds				(5,400)	24,330	(23,309)		(4,379)				23,309	
Total State Financial Assistance				(\$122,576)	\$2,003,991	(\$1,835,552)		(46,639)	(1,192,725)	1,130,567	61,382	(\$3,917,708)	51,835,552
Less:													
On-Behalf TPAF Pension System Contributions						(4,559,487)							
On-Behalf TPAF Post-Retirement Medical						(2,068,176)							
On-Behalf TPAF Pension & Annuity Fund Non-Contributory Insurance						(2,569)							
Total for State Financial Assistance - Major Program Determination						(\$45,205,320)							

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2019**

Note 1. General

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

Note 2. Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. This basis of accounting is described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and *Audits of States, Local Governments, and Non-profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(125,770) for the general fund and \$-0- for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2019**

	Federal	State	Total
General Fund	\$ 166,860	48,256,621	\$48,423,481
Special Revenue Fund	2,865,542	3,315,202	6,180,744
Food Service Fund	1,696,425	23,309	1,719,734
	<hr/>	<hr/>	<hr/>
Total Financial Assistance	\$ 4,728,827	51,595,132	\$56,323,959

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension and Post-Retirement Medical Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2018. 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 6. Federal and State Loans Outstanding

The Willingboro Township Board of Education had no loan balances outstanding at June 30, 2019.

Note 7. Major Programs

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

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 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
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to basic financial Statements noted?	Yes

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I
10.553/10.555	Breakfast Program/Child Nutrition Cluster
84.027	IDEA - Basic

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

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

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

State Awards

Dollar threshold used to distinguish between type A Type Programs:	\$1,356,160
Auditee qualified as low-risk auditee?	No
Type of auditor's report issued on compliance for major programs:	<u>Modified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	Yes
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable?	Yes

Identification of major programs:

GMIS Number(s)	Name of State Program
19-495-034-5120-078	Equalization Aid
19-495-034-5120-044	Extraordinary Aid
19-495-034-5120-084	Security Aid

**WILLINGBORO TOWNSHIP 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, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Uniform Guidance audit.

Finding 2019-01:

Criteria:

Approved budgetary line accounts should not be over-expended.

Condition:

One budgetary line account was over-expended.

Effect:

A total over-expenditure of \$815 occurred for one budgetary line account.

Cause:

Oversight of district personnel.

Recommendation:

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

Views of responsible officials and planned corrective action:

Management concurs with the finding and wants to emphasize that the budgetary line item account “Interest on Lease Purchase Agreements” that was over-expended this year was not over-expended in the prior year.

Finding 2019-02:

Criteria:

The establishment of a capital reserve account should be approved by resolution as per N.J.A.C. 6A:23A-14.1

Condition:

A capital reserve account was established by the District without the required board resolution in order to be in compliance with N.J.A.C. 6A:23A-14.1.

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

Section II — Financial Statement Findings (continued):

Effect:

A capital reserve balance of \$978,769 exists that resulted in a non-compliance with N.J.A.C. 6A:23A-14.1

Cause:

Oversight of district personnel.

Recommendation:

The District should establish proper procedures in order to be in compliance with N.J.A.C. 6A:23A-14.1 as required.

Views of responsible officials and planned corrective action:

Management concurs with the finding and will subsequently ratify a board resolution to approve the capital reserve account.

Finding 2019-03:

Criteria:

Monthly reconciliation of bank accounts should be performed per N.J.S.A. 18A:17-9.

Condition:

The Twin Hills School Student Activity bank account reconciliation was not completed timely and on a monthly basis.

Effect:

District not being in compliance with N.J.S.A. 18A:17-9.

Cause:

Oversight of District personnel.

Recommendation:

The Twin Hills School Student Activity bank account reconciliation be completed timely and on a monthly basis in order to be in compliance with N.J.S.A. 18A:17-9.

Views of responsible officials and planned corrective action:

Management concurs with the finding and will ensure that the Twin Hills School Student Activity bank reconciliation will be reconciled on a monthly basis going forward.

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

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

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

Federal Awards

N/A

State Awards

Findings 2019-01 and 2019-02 are part of this section. Please refer to Section II for details.

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

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

Status of Prior Year Findings:

Finding 2018-01:

Condition:

Fifteen budgetary line accounts were over-expended totaling \$179,818.

Current Status:

This condition has not been corrected. Refer to Finding 2019-01.

Finding 2018-02:

Condition:

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

Current Status:

This condition has been corrected.

Finding 2018-03:

Condition:

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

Current Status:

This condition has been corrected.